

TITLE 6. ECONOMIC SECURITY**CHAPTER 12. DEPARTMENT OF ECONOMIC SECURITY
CASH ASSISTANCE PROGRAM**

Editor's Note: Article headings and Sections of this Chapter were amended, renumbered, repealed, and adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Chapter 300, § 74(A). The Chapter heading was also changed under this exemption. Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on these rules. Under Laws 1997, Ch. 300, § 74(B), the Department is required to institute the formal rulemaking process on these Sections on or before December 31, 1997. Because these rules are exempt from the regular rulemaking process, the Chapter is being printed on blue paper.

6 A.A.C. 12, consisting of Article 1, Sections R6-12-101 through R6-12-105; Article 2, Sections R6-12-201 through R6-12-111; Article 3, Sections R6-12-301 through R6-12-317; Article 4, Sections R6-12-401 through R6-12-406; Article 5, Sections R6-12-501 through R6-12-508; Article 6, Sections R6-12-601 through R6-12-617; Article 7, Sections R6-12-701 through 706; Article 8, Sections R6-12-801 through R6-12-807; Article 9, Sections R6-12-901 through R6-12-908; Article 10, Sections R6-12-1001 through R6-12-1015; Article 11, Sections R6-12-1101 through R6-12-1103; Article 12, Sections R6-12-1201 through R6-12-1206; and Article 13, Sections R6-12-1301 through R6-12-1307, adopted effective November 9, 1995 (Supp. 95-4).

ARTICLE 1. GENERAL PROVISIONS

Section

- R6-12-101. Definitions
- R6-12-102. Confidentiality
- R6-12-103. Case Records
- R6-12-104. Manuals
- R6-12-105. EMPOWER: Random Assignment Evaluation

**ARTICLE 2. APPLICATION PROCESS AND
PROCEDURES**

Section

- R6-12-201. Application
- R6-12-202. Request for Benefits; Composition of the Assistance Unit
- R6-12-203. Initial Eligibility Interview
- R6-12-204. Disability Determination
- R6-12-205. Verification of Eligibility Information
- R6-12-206. Home Visits
- R6-12-207. Withdrawal of Application
- R6-12-208. Death of an Applicant
- R6-12-209. Processing the Application; Denials; Approval
- R6-12-210. Six-month Review
- R6-12-211. Reinstatement of Benefits

ARTICLE 3. NON-FINANCIAL ELIGIBILITY CRITERIA

Section

- R6-12-301. Non-financial Eligibility Criteria
- R6-12-302. Applicant and Recipient Responsibility
- R6-12-303. Application for Other Potential Benefits
- R6-12-304. Residency
- R6-12-305. Citizenship and Alienage
- R6-12-306. Eligible Persons
- R6-12-307. Social Security Number
- R6-12-308. Family Benefit Cap
- R6-12-309. Relationship
- R6-12-310. Deprivation
- R6-12-311. Assignment of Support Rights; Cooperation
- R6-12-312. Good Cause for Noncooperation with Child Support Enforcement
- R6-12-313. Participation in JOBS; Exemptions; Good Cause
- R6-12-314. School Attendance
- R6-12-315. Immunization
- R6-12-316. Sanctions for Noncompliance
- R6-12-317. Voluntary Quit/Reduction in Work Effort
- R6-12-318. Duration of Assistance

- R6-12-319. Extension of the 24-month Limit
- R6-12-320. Extension of the 24-month Limit to Complete Education or Training

ARTICLE 4. FINANCIAL ELIGIBILITY; RESOURCES

Section

- R6-12-401. Treatment of Resources; Limitations
- R6-12-402. Treatment of Resources by Ownership Status; Availability
- R6-12-403. Treatment of Resources; Exclusions
- R6-12-404. Individual Development Accounts
- R6-12-405. Resource Transfers; Limitations
- R6-12-406. Resource Verification

ARTICLE 5. FINANCIAL ELIGIBILITY; INCOME

Section

- R6-12-501. Treatment of Income; In General
- R6-12-502. Income Available to the Assistance Unit
- R6-12-503. Income Exclusions
- R6-12-504. Special Income Provisions: Child Support, Alimony, or Spousal Maintenance
- R6-12-505. Special Income Provisions; Nonrecurring Lump Sum Income
- R6-12-506. Determining Monthly Income
- R6-12-507. Methods to Determine Projected Monthly Income
- R6-12-508. Income Verification

ARTICLE 6. SPECIAL CA CIRCUMSTANCES

Section

- R6-12-601. Pregnant Women
- R6-12-602. Caretaker Relative of SSI or Foster Child
- R6-12-603. Sponsored Noncitizen
- R6-12-604. Strikers
- R6-12-605. Dependents with Ineligible IRCA Parents
- R6-12-606. Dependents of Foster Children
- R6-12-607. Stepparents
- R6-12-608. Minor Parents
- R6-12-609. Unemployed Parents in a 2-parent Household; (TPEP)
- R6-12-610. TPEP; Education and Employment Requirements; Good Cause for Nonparticipation
- R6-12-611. TPEP; Duration
- R6-12-612. Transitional Child Care
- R6-12-613. Transitional Child Care; Eligible Children
- R6-12-614. Transitional Child Care; Duration

- R6-12-615. Involuntary Termination of Transitional Child Care
- R6-12-616. Guaranteed Child Care Benefits; Options
- R6-12-617. Guaranteed Child Care; Eligible Children

ARTICLE 7. DETERMINING ELIGIBILITY AND BENEFIT PAYMENT AMOUNT

Section

- R6-12-701. Need Standard
- R6-12-702. Determining Eligibility
- R6-12-703. Earned Income Disregards
- R6-12-704. Disqualification from Earnings Disregards; Good Cause
- R6-12-705. Determining Benefit Payment Amount; Prorating
- R6-12-706. Notice of Eligibility Determination

ARTICLE 8. PAYMENTS

Section

- R6-12-801. Benefit Payments
- R6-12-802. Mailing of Payments
- R6-12-803. Supplemental Payments
- R6-12-804. Returned Payments
- R6-12-805. Non-receipt of Payments; Replacement
- R6-12-806. Protective Payee
- R6-12-807. Emergency Payee
- R6-12-808. Identification Card

ARTICLE 9. CHANGES; ADVERSE ACTION

Section

- R6-12-901. Reporting Changes
- R6-12-902. Withdrawing a Member from the Assistance Unit
- R6-12-903. Determining Benefits When Adding or Removing a Member
- R6-12-904. Benefit Reduction or Termination
- R6-12-905. Ineligibility Date for an Assistance Unit
- R6-12-906. Ineligibility Date for an Individual Member of an Assistance Unit
- R6-12-907. Notice of Adverse Action
- R6-12-908. Referral for Investigation

ARTICLE 10. APPEALS

Section

- R6-12-1001. Entitlement to a Hearing
- R6-12-1002. Request for Hearing; Form; Time Limits

- R6-12-1003. Hearing Requests; Preparation and Processing
- R6-12-1004. Stay of Adverse Action Pending Appeal; Exceptions
- R6-12-1005. Hearing Officer; Qualifications; Duties; Subpoenas
- R6-12-1006. Hearings: Location; Notice; Time
- R6-12-1007. Rescheduling the Hearing
- R6-12-1008. Hearings Concerning Disability Determinations
- R6-12-1009. Group Hearings
- R6-12-1010. Withdrawal of Appeal; Default
- R6-12-1011. Hearing Proceedings
- R6-12-1012. Hearing Decision; Time Limits; Form; Contents; Finality
- R6-12-1013. Implementation of the Decision
- R6-12-1014. Further Appeal and Review of Hearing Decisions; Stay of Adverse Action
- R6-12-1015. Appeals Board Proceedings and Decision

ARTICLE 11. OVERPAYMENTS

Section

- R6-12-1101. Overpayments: Date of Discovery; Collection; Exceptions
- R6-12-1102. Overpayments: Persons Liable
- R6-12-1103. Methods of Collection and Recoupment

ARTICLE 12. INTENTIONAL PROGRAM VIOLATION

Section

- R6-12-1201. Intentional Program Violation (IPV); Defined
- R6-12-1202. IPV Disqualification Proceedings; Hearing Waiver
- R6-12-1203. Disqualification Proceedings; Hearing
- R6-12-1204. Disqualification Sanctions; Notice
- R6-12-1205. Disqualification Hearings; Appeal
- R6-12-1206. Honoring Out-of-state IPV Determinations and Sanctions

ARTICLE 13. JOBSTART

Section

- R6-12-1301. Scope
- R6-12-1302. Definitions
- R6-12-1303. Diversion of Benefits to Wage Pool
- R6-12-1304. Treatment of Income
- R6-12-1305. Supplemental Payments
- R6-12-1306. Sanctions
- R6-12-1307. Renumbered

ARTICLE 1. GENERAL PROVISIONS

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-101. Definitions

The following definitions apply to this Chapter:

1. "Adequate notice" means a notice which explains the action the Department intends to take, the reason for the action, the specific authority for the action, the recipient's appeal rights, and right to benefits pending appeal, and which is mailed before the effective date of the action.
2. "Adequate and timely notice" means a written notice which contains the information required for an adequate notice and is sent within the time-frame provided for a timely notice.
3. "Adverse action" means 1 of the Department actions described in R6-12-1001(A), including action to terminate or reduce a benefit or assistance grant, or change the manner or form in which benefits are paid.
4. "AHCCCS" or "Arizona Health Care Cost Containment System" means a system established pursuant to A.R.S. § 36-2901 *et seq.* which consists of contracts with providers for the provision of hospitalization and medical care coverage to members.
5. "AHCCCSA" or "The Arizona Health Care Cost Containment System Administration" means the Arizona state government agency which administers the AHCCCS program.
6. "Appellant" means an applicant or recipient of assistance who is appealing an adverse action by the Department.
7. "Applicant" means a person who has directly, or through an authorized representative or responsible person, filed an application for CA with the Department.
8. "Assistance unit" or "unit" means a group of persons whose needs, income, resources, and other circumstances are considered as a whole for the purpose of determining eligibility and benefit amount.
9. "Available income or resources" means income or resources which are actually available for use of the assistance unit, and income or resources in which the applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make such sum available for support and maintenance.
10. "Benefit month" means the calendar month for which benefits are paid based upon the assistance unit's projected income and anticipated circumstances for that same month.
11. "Benefit payment" means a monetary amount which the Department pays to an assistance unit for a particular benefit month.
12. "Bona fide funeral agreement" means a prepaid plan that specifically covers only funeral-related expenses as evidenced by a written contract.
13. "Burial plot" means a space reserved in a cemetery, crypt, vault, or mausoleum for the remains of a deceased person.
14. "CA" means Cash Assistance, a program administered by the Department which provides assistance to needy families with dependent children pursuant to 42 U.S.C. 601 *et seq.*
15. "Calendar quarter" means 1 of the 4 consecutive 3-month periods of a calendar year beginning with either January 1, April 1, July 1, or October 1.
16. "Calendar year" means a period of 12 consecutive months beginning with January 1 and ending with December 31.
17. "Caretaker relative" means a parent or relative who maintains a family setting for a dependent child and who exercises responsibility for the day-to-day physical care, guidance, and support of that child.
18. "Child welfare agency" means any agency or institution as defined at A.R.S. § 8-501(A)(1).
19. "Collateral contact" means an individual, agency, or organization the Department contacts to confirm information provided by the applicant or recipient.
20. "Countable income" means the amount of gross income of the assistance unit which the Department considers to determine eligibility and compute a benefit amount.
21. "Day" means a calendar day unless otherwise specified.
22. "Department" means the Arizona Department of Economic Security.
23. "Dependent child" means a child as defined at A.R.S. § 46-101(5).
24. "Disregards" means those deductions which the Department applies to the assistance unit's gross countable income to determine eligibility and benefit amount.
25. "District Medical Consultant" means a licensed physician whom the Department employs to review medical records for the purpose of determining physical or mental incapacity.
26. "Earned income" means any gain to the assistance unit as defined in 45 CFR 233.20(a)(6)(iii) through (viii) (October 1994) which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions.
27. "Eligibility determination date" means the date the Department makes the decision described in R6-12-706 and issues the eligibility decision notice.
28. "EMPOWER project" means the Arizona welfare reform project approved by the U.S. Department of Health and Human Services pursuant to 42 U.S.C. 1315. Under the EMPOWER project, Arizona has federal approval to deviate from certain provisions of the federal law governing operation of the CA, Food Stamp, and JOBS programs.
29. "Encumbrance" means a legal debt.
30. "Equity value" means fair market value minus encumbrances.
31. "FAA" or "Family Assistance Administration" means the administration within the Department's Division of Benefits and Medical Eligibility with responsibility for providing financial and food stamp assistance to eligible persons and determining medical eligibility.
32. "Fair consideration" means an amount which reasonably represents the fair market value of transferred property.
33. "Fair market value" means the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell, and both having reasonable knowledge of the relevant facts.
34. "Foster care maintenance payment" means a monetary amount which the Department pays to a foster parent for the expenses of a child in foster care.

35. "Foster child" means a child placed in a foster home or a child welfare agency.
36. "Homebound" means a person who is confined to the home because of physical or mental incapacity.
37. "Homestead property" means a home owned and occupied by an applicant or recipient, or which is co-owned and occupied by a separated or divorced spouse of an applicant or recipient.
38. "Income" means earned and unearned income combined.
39. "JOBS" or "Job Opportunities and Basic Skills Training Program" means the program authorized by 42 U.S.C. 681 - 687 and A.R.S. §§ 46-299, which assists CA recipients to prepare for, obtain, and retain employment.
40. "Job Corps" means the program authorized by 29 U.S.C. 1691 *et seq.* which provides education, training, intensive counseling, and related assistance to economically disadvantaged young men and women.
41. "JTPA" or "Job Training Partnership Act" means the program authorized by 29 U.S.C. 1501 *et seq.* which prepares youth and unskilled adults for entry into the labor force and affords special job training.
42. "Liquid asset" means cash or another financial instrument which is readily convertible to cash.
43. "Local office" means a FAA office which is designated as the office in which CA applications and other documents are filed with the Department and in which eligibility and benefit amounts are determined.
44. "Lump sum income" means a single payment of earned or unearned income, such as retroactive monthly benefits, non-recurring pay adjustments or bonuses, inheritances, lottery winnings, or personal injury and workers' compensation awards.
45. "Mailing date", when used in reference to a document sent 1st class, postage prepaid, through the United States mail, means the date:
 - a. Shown on the postmark;
 - b. Shown on the postage meter mark of the envelope, if there is no postmark; or
 - c. Entered on the document as the date of its completion, if there is no legible postmark or postage meter mark.
46. "Mandatory member" or "mandatory member of the assistance unit" means any natural or adoptive parent, and any blood-related or adoptive sibling, of a dependent child, if the parent or sibling lives in the same household with the dependent child and is otherwise eligible for assistance.
47. "Need standard" means the money value the state assigns to the basic and special needs deemed essential for applicants and recipients.
48. "Net income" means the assistance unit's total gross income, less applicable disregards, which is used to compute the benefit amount.
49. "NPCR" or "Non-parent caretaker relative" means a person, other than a parent, who is related by blood, marriage, or lawful adoption to the dependent child and who maintains a family setting for the dependent child and exercises responsibility for the day-to-day care of the dependent child.
50. "Noncitizen" means a person who is not a United States citizen.
51. "Noncitizen sponsor", which is sometimes referred to as a "sponsor", means an organization which, or a person who, has executed an affidavit of support or similar agreement on behalf of a noncitizen who is not the child or spouse of the sponsor, as a condition of the noncitizen's entry into the United States.
52. "Notice date" means the date which appears as the official date of issuance on a document or official written notice the Department sends or gives to an applicant or recipient.
53. "OSI" or "Office of Special Investigations" means the Department office to which FAA refers cases for investigation of certain eligibility information, investigation and preparation of fraud charges, coordination and cooperation with law enforcement agencies, and other similar functions.
54. "Overpayment" means a financial assistance payment received by or for an assistance unit for a benefit month and which exceeds the amount to which the unit was lawfully entitled.
55. "Parent" means the lawful mother or father of a dependent child and includes only a birth or adoptive parent and excludes a stepparent.
56. "Participating in a strike" means engaging in any activity as defined at 29 U.S.C. 142(2), as amended through June 23, 1947, which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions.
57. "Party" means the Department and the applicant or recipient.
58. "Payment standard" means the amount of money from which net income is subtracted to calculate the monthly benefit amount.
59. "Physical or mental incapacity" means a physical or mental impairment which substantially precludes a parent from providing for the support or care of the parent's child.
60. "PI" means the Primary Informant, who is the individual who signs the Application for Assistance; in TPEP assistance units the PI is the PWEP.
61. "PRA" means the Personal Responsibility Agreement, which is a document listing the obligations of a household that applies for and receives CA.
62. "Projected income" means an estimate of income that an applicant or recipient reasonably expects to receive in a specific month, the actual amount of which is unknown but which is estimated from available and reliable information.
63. "Prospective eligibility" means an eligibility determination for a benefit month based on income and other circumstances as they actually exist, and are anticipated to exist, in that same month.
64. "Putative father" means a male person whom a birth mother has named as father of her child, but whose paternity has not been established as a matter of law.
65. "Prospective budgeting" means the computation of a benefit amount for a particular benefit month based on the Department's projected income and circumstances as they actually exist and are anticipated to exist for that same month.
66. "PRWORA" means the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193).
67. "PWEP" or "Primary wage earning parent" means the parent in a 2-parent family who earned the greater amount of income in the 24-month period immediately preceding the month in which an application for benefits is filed.
68. "Recipient" means a person who is a member of an assistance unit.

Department of Economic Security - Cash Assistance Program

69. "Request for hearing" means a clear written expression by an applicant or recipient, or such person's representative, indicating a desire to present the case or issue to a higher authority.
70. "Resident" means a person who meets the definition of A.R.S. § 46-292(A)(1).
71. "Resources" means the assistance unit's real and personal property.
72. "Review" means a review of all factors affecting an assistance unit's eligibility and benefit amount.
73. "Spendthrift restriction" means a legal restriction on the use of a resource which prevents a payee or beneficiary from alienating the resource.
74. "Sponsored noncitizen" means a noncitizen whose entry into the United States was sponsored by a person who, or an organization which, executed an affidavit of support or similar agreement on behalf of the noncitizen alien, who is not a child or spouse of the sponsor.
75. "Student" means a person who is attending a school, college, or university, or who is enrolled in a course of vocational or technical training designed to prepare the trainee for gainful employment, and includes a participant in Job Corps.
76. "Suitable work" means work in a recognized occupation for which a person is reasonably qualified.
77. "Support" means child support, alimony, spousal maintenance, or medical support.
78. "Supportive Services unit" means an assistance unit which is eligible for all benefits, except a monthly cash amount, that a CA assistance unit receives.
79. "SVES" means the State Verification and Exchange System which is a system through which the Department exchanges income and benefit information with the Internal Revenue Service, Social Security Administration, State Wage, and Unemployment Insurance Benefit data files.
80. "TANF" means Temporary Assistance for Needy Families, which is a program administered by the Department to provide assistance to needy families with dependent children pursuant to 42 U.S.C. 601 *et seq.*
81. "Timely notice" means a notice which the Department mails at least 10 days before the date on which the action described in the notice will occur or take effect or, in circumstances of probable fraud, at least 5 calendar days in advance of the date such action is effective.
82. "Title IV-A of the Social Security Act" means 42 U.S.C. 601 - 617, the statutes establishing the CA program.
83. "Title IV-E of the Social Security Act" means 42 U.S.C. 670 - 679, the statutes establishing the foster care and adoption assistance programs.
84. "TPEP" or "2-Parent Employment Program" means the CA program which provides assistance for needy dependent children who are deprived of parental support because the primary wage-earning parent is unemployed.
85. "Underpayment" means a monthly benefit payment which is less than the amount for which the assistance unit is eligible, or the failure to issue a benefit payment when such payment should have been issued.
86. "Vendor payment" means a payment which a person or organization who is not a member of an assistance unit makes to a 3rd-party vendor to cover assistance unit expenses.
87. "Voluntary Quit/Reduction in Work Effort" is an action to willingly quit a job or reduce work effort without good cause.
88. "Warrant" means a payment instrument drawn on the Arizona State Treasury authorizing payment of a particular sum of money to an CA recipient.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-102. Confidentiality

- A. Personally identifiable information.
 1. All personally identifiable information concerning an applicant or recipient in the possession of the Department is confidential and not subject to public inspection, except as otherwise specified in A.R.S. § 41-1959 and this Section.
 2. Personally identifiable information includes:
 - a. Name, address, and telephone number;
 - b. Social security number and date of birth;
 - c. Unique identifying numbers such as a driver's license number;
 - d. Photographs;
 - e. Information related to social and economic conditions or circumstances;
 - f. Medical data, including diagnosis and past history of disease or disability; and
 - g. Any other information which is reasonably likely to permit another person to readily identify the subject of the information.
- B. Release of information to applicants and recipients.
 1. An applicant or recipient may review the contents of his or her own eligibility file at any time during the Department's regular business hours, provided that a Department employee is present during the review.
 2. A dependent child may review a case file in which the child is included as a recipient, only with the written permission of the child's parent, or legal guardian or custodian.
 3. The Department may withhold medical information which, if released, may cause physical or mental harm to the person requesting the information, until the Department contacts the person's physician and obtains an opinion that the Department can safely release the information.
- C. Release of information to authorized persons and representatives. An applicant or recipient may permit the release of information from the applicant or recipient's eligibility file to another person or representative by executing a release form containing the following information:
 1. The specific information the Department is authorized to release;
 2. The name of the person to whom the Department may release information;
 3. The duration of the release, if limited; and
 4. Signature and date.
- D. Release to persons and agencies for official purposes.

1. An official purpose is 1 directly related to the administration of a public assistance program and includes:
 - a. Establishing eligibility;
 - b. Determining the amount of an assistance grant;
 - c. Providing services to applicants and recipients, including child support enforcement services;
 - d. Investigating or prosecuting civil or criminal proceedings related to an assistance program; and
 - e. Evaluating, analyzing, overseeing, and auditing program operations.
2. The Department may release confidential information to the following persons and agencies to the extent required for official purposes:
 - a. Department employees;
 - b. Employees of the Social Security Administration;
 - c. Public assistance agencies of any other state;
 - d. Persons connected with the administration of child support enforcement activities;
 - e. Arizona Attorney General's Office;
 - f. Persons connected with the administration of federal or federally assisted programs which provide assistance, in cash or in-kind, or services directly to individuals on the basis of need;
 - g. Government auditors when the audits are conducted in connection with the administration of any assistance program by a governmental entity which is authorized by law to conduct such audits;
 - h. AHCCCSA, for eligibility purposes;
 - i. Law enforcement officials for an investigation, prosecution, or civil or criminal proceedings conducted by or on behalf of the Department or a federal public assistance agency in connection with the administration of a public assistance program; and
 - j. The Internal Revenue Service for the purpose of identifying improperly claimed tax exemptions by the absent parent of a child supported by CA.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-103. Case Record

- A. The Department shall maintain a case record for every applicant for or recipient of assistance.
- B. Except as otherwise provided in subsections (C) and (D) below, the Department shall retain the case record for a period of 3 years after the last date on which the applicant received an adverse determination of eligibility or the recipient last received a benefit payment.
- C. The Department shall retain a case record which contains an unpaid overpayment until:
 1. The overpayment is paid in full, or
 2. The assistance unit is no longer obligated to repay the overpayment.
- D. The Department shall retain a case record which includes a person determined to have committed an intentional program violation pursuant to Article 12 until:
 1. The overpayment is paid in full, and
 2. The disqualification sanction is satisfied.
- E. The case record shall contain all documentation collected or prepared by the Department in evaluating and determining eligibility and benefit amount.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

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R6-12-104. Manuals

Each FAA office shall maintain and keep available for public inspection and copying during regular business hours, a copy of the CA program manual.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

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R6-12-105. EMPOWER: Random Assignment Evaluation

- A. The Department shall randomly assign CA applicants and recipients who are served by the Glendale, Peoria, 67th Avenue, and Chinle FAA local offices into experimental, non-experimental, and control groups for an evaluation of the EMPOWER project modifications approved by the U.S. Department of Health and Human Services pursuant to 42 U.S.C. 1315.
- B. The control group shall consist of at least 1,500 CA cases which are active on November 1, 1995, and at least 1,500 new CA applicant cases which are approved thereafter.
- C. The experimental and non-experimental groups are subject to the EMPOWER project provisions. The experimental and control groups will be used to evaluate the EMPOWER project.
- D. The following rules do not apply to an applicant or recipient who is assigned to the control group:
 1. R6-12-308,
 2. R6-12-315,
 3. R6-12-318,
 4. R6-12-319, and
 5. R6-12-404.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 2. APPLICATION PROCESS AND PROCEDURES

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for

review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-201. Application

- A.** Any person may apply for CA by filing, either in person or by mail, a Department-approved application form with any FAA office.
- B.** The application file date is the date any FAA office receives an identifiable application. An identifiable application is 1 which contains, at a minimum, the following information:
 1. The legible name and address of the person requesting assistance; and
 2. The signature, under penalty of perjury, of the applicant or the applicant's authorized representative, or, if the applicant is incompetent or incapacitated, someone legally authorized to act on behalf of the applicant.
- C.** In addition to the identifiable information described in subsection (B), a completed application shall contain:
 1. The names of all persons living in the applicant's dwelling and the relationship of such persons to the applicant,
 2. A request to receive cash benefits which complies with the requirements of R6-12-202, and
 3. All other financial and non-financial eligibility information requested on the application form.
- D.** An application for CA is automatically treated as an application for AHCCCS medical benefits.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-202. Request for Benefits; Composition of the Assistance Unit

- A.** An applicant may request CA for any person living in the applicant's home.
- B.** A request for CA for a dependent child shall also include a request for benefits for the parents of the dependent child, and any siblings of the dependent child, who reside in the applicant's home.
- C.** An applicant who is the non-parent caretaker relative (NPCR) of a dependent child and who meets the requirements of R6-12-306(A)(4) may also ask to be included in the CA grant.
- D.** When 1 NPCR cares for step-siblings or children who lack any sibling relationship, the NPCR and the children shall be included in the same CA grant.
- E.** Notwithstanding any other provision of this Chapter, no person shall receive CA in more than 1 assistance unit in Arizona in any calendar month.
- F.** If a person is required to be included in more than 1 assistance unit, the Department shall consolidate the assistance units.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-203. Initial Eligibility Interview

- A.** Upon receipt of an identifiable application, the Department shall schedule an initial eligibility interview for the applicant at a location which assures a reasonable amount of privacy. Upon request, the Department shall conduct the interview at the residence of a person who is homebound.
- B.** The applicant shall attend the interview. A person of the applicant's choosing may also attend the interview.
- C.** During the interview, a Department representative shall:
 1. Assist the applicant in completing the application form;
 2. Witness the signature of the applicant or the applicant's authorized representative;
 3. Discuss how the applicant and the other assistance unit members previously met their needs, and why they now need financial assistance;
 4. Provide the applicant with written information explaining:
 - a. The terms, conditions, and obligations of the CA program, including the requirement that the applicant obtain and provide a social security number to the Department;
 - b. Any additional verification information as prescribed in R6-12-205(A) which the applicant must provide for the Department to conclude the eligibility evaluation;
 - c. The Department's practice of exchanging eligibility and income information through the State Verification and Exchange System (SVES);
 - d. The coverage and scope of the CA program, and related services which may be available to the applicant, including child care benefits;
 - e. The applicant's rights, including the right to appeal adverse action;
 - f. The AHCCCS enrollment process;
 - g. The requirement to report all changes within 10 calendar days from the date the change becomes known;
 - h. The family planning services available through AHCCCS health plans;
 5. Review the penalties for perjury and fraud, as printed on the application;
 6. Explain to the applicant who is a mandatory member of the assistance unit, and whom the applicant may include as an optional member;
 7. Review any verification information already provided;
 8. Explain the applicant's duties to:
 - a. Cooperate with the Division of Child Support Enforcement (DCSE) in establishing paternity and enforcing support obligations, unless the applicant can show good cause for not doing so;
 - b. Transmit to the Department any support payments the applicant receives after the date the applicant is approved to receive CA; and
 - c. Participate in the Job Opportunities and Basic Skills Training (JOBS) program, unless the applicant or recipient is determined to be exempt from such participation;

9. Photograph the applicant for identification purposes;
 10. Review all ongoing reporting requirements, and the potential sanctions for failure to make timely reports, including loss of disregards; and
 11. Inform the applicant of the opportunity to set aside funds in an individual development account as prescribed in R6-12-404 for educational or training purposes.
- D.** When the applicant misses a scheduled appointment for an interview, the Department shall schedule a 2nd interview for later that same day, or for another day, only if the applicant so requests before close of business on the day of the missed appointment.
- E.** The Department shall deny the application when the applicant fails to request a 2nd appointment as provided in subsection (D) or when the applicant misses a 2nd scheduled appointment.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-204. Disability Determination

- A.** When an assistance unit is requesting CA due to the mental or physical incapacity of a parent, as provided in R6-12-310(G), the Department shall verify the existence of the disability.
 - B.** The assistance unit shall demonstrate incapacity of a parent by providing a medical statement from a licensed physician. The statement shall include:
 1. A diagnosis of the person,
 2. A finding that the person has a physical or mental condition which prevents the person from working, and
 3. An opinion concerning the duration of unemployment or a date for re-evaluation of unemployment.
 - C.** The local FAA office shall find disability, without further medical verification, when the applicant provides evidence that:
 1. The Social Security Administration (SSA) has determined that the person is eligible for Retirement, Survivors, Disability Insurance (RSDI) benefits due to blindness or disability;
 2. The SSA has determined that the person is eligible for Supplemental Security Income (SSI) due to blindness or disability;
 3. The Veteran's Administration has determined that the person has at least a 100% disability;
 4. The person's physician has released the person from the hospital and imposed work restrictions for a specified recuperation period;
 5. The person's employer or physician has required the person to terminate employment due to the onset of a disability and the physician has specified a recuperation period;
 6. The person's physician has determined that the person is capable of employment only in a sheltered workshop, for a specified period of time, and the person is so employed; or
7. A prior certification of disability is in the person's case record and is still valid to cover the period in which assistance is requested and will be received.
- D.** The District Medical Consultant shall determine incapacity for all persons not covered under subsections (B) or (C).

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-205. Verification of Eligibility Information

- A.** The Department shall obtain independent verification or corroboration of information provided by the applicant or recipient when required by law, or when necessary to determine eligibility or benefit level.
- B.** The Department may verify or corroborate information by any reasonable means including:
 1. Contacting 3rd parties such as employers;
 2. Making home visits as provided in R6-12-206;
 3. Asking the applicant or recipient to provide written documentation, such as billing statements or pay stubs; and
 4. Conducting a computer data match through SVES.
- C.** The applicant or recipient has the primary responsibility for providing all required verification. The Department shall offer to assist an applicant or recipient who has difficulty in obtaining the verification and requests help.
- D.** An applicant or recipient shall provide the Department with all requested verification within 10 calendar days from the notice date of a written request for such information. When an applicant does not timely comply with a request for information, the Department shall deny the application as provided in R6-12-209(B).
- E.** The application form shall contain a notice to advise the applicant that the Department may contact 3rd parties for information. The applicant's signature on an application is deemed consent to such contact.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-206. Home Visits

- A.** The Department shall schedule a home visit:
 1. When it reasonably believes that such a visit will avoid an eligibility determination error, or
 2. To conduct an initial interview or an eligibility review when a homebound applicant or recipient so requests.
- B.** The Department shall mail the applicant or recipient written notice of a scheduled home visit at least 7 days before the date of the visit.
- C.** The Department may deny or terminate benefits if the applicant or recipient is not home for a scheduled visit for:
 1. An initial interview and has not timely rescheduled the visit pursuant to R6-12-203(D), or

Department of Economic Security - Cash Assistance Program

2. A 6-month review interview and has not timely rescheduled the visit pursuant to R6-12-210(D).
- D. The Department may conduct unscheduled visits to gather information or to verify information previously provided by an applicant or recipient. The Department shall not deny an application or terminate assistance if the applicant or recipient is not home for an unscheduled visit.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-207. Withdrawal of Application

- A. An applicant may withdraw an application at any time before the Department completes an eligibility determination by requesting a withdrawal from the Department either orally or in writing.
- B. If an applicant orally asks to withdraw an application the Department shall:
 1. Document the names of persons and type of benefits or services the applicant wishes to withdraw, and
 2. Deny the application and notify the applicant.
- C. A withdrawal is effective as of the date of application.
- D. When an application is withdrawn, an applicant must file a new application to restart the application process.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-208. Death of an Applicant

- A. If an applicant dies while the application is pending, the Department shall deny the application and inform the person responsible for the dependent child that a new application may be filed.
- B. If the new application is filed within 45 days from the date of the original application, and the child is found eligible, the Department shall pay benefits for the child from the date of the original application. If eligible, the new applicant shall receive benefits from the date of the new application.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-209. Processing the Application; Denials; Approval

- A. The Department shall complete the eligibility determination within 45 calendar days of the application file date, unless:
 1. The application is withdrawn,
 2. The application is rendered moot because the applicant has died or cannot be located, or
 3. There is a delay resulting from a Department request for additional verification information as provided in R6-12-205(D).
- B. The Department shall deny an application when the applicant fails to:
 1. Complete the application and an eligibility interview, as described in R6-12-203;

2. Submit all required verification information within 10 days of the notice date of a written request for such verification; or
3. Cooperate during the application process as required by R6-12-302.
- C. When an assistance unit satisfies all eligibility criteria, the Department shall compute a benefit amount, approve the application, and send the applicant an approval notice. The approval notice shall include the amount of assistance and an explanation of the assistance unit's appeal rights.
- D. The Department shall process an application for the purpose of determining medical assistance eligibility pursuant to R9-22-101 *et seq.*

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-210. Six-month Review

- A. The Department shall complete a review of all eligibility factors for each assistance unit at least once every 6 months, beginning with the 6th month following the 1st month of CA eligibility.
- B. At least 30 days prior to the 6-month review date, the Department shall mail the recipient a notice advising of the need for a review. In response to such notice, the recipient shall file a request for a 6-month review and interview by the date specified on the notice.
- C. The Department shall schedule and conduct a review interview in the same manner as an initial interview.
- D. When the recipient misses a scheduled appointment for a 6-month review interview, the Department shall schedule a 2nd interview if the recipient so requests within 10 days of the missed appointment.
- E. The Department shall terminate benefits when the recipient fails to request a 2nd appointment as prescribed in subsection (D), or when the recipient misses a 2nd scheduled appointment without good cause. Good cause shall include the following circumstances:
 1. Lack of transportation on the day of the appointment,
 2. Illness, or
 3. Serious injury or accident involving an assistance unit member.
- F. The Department shall verify the assistance unit's resources and income and any eligibility factors which have changed or are subject to change. The Department may verify other factors if Department experience suggests the need for additional verification.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in

the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-211. Reinstatement of Benefits

- A. If the Department has terminated payment of benefits to an assistance unit, the Department shall not reinstate benefits unless the recipient files a new application and has a new interview.
- B. Notwithstanding subsection (A), the Department shall reinstate benefits within 10 calendar days when:
 1. Termination was due to Department error;
 2. The Department receives a court order or administrative hearing decision mandating reinstatement; or
 3. The recipient files a request for fair hearing as provided in R6-12-1002 within 10 days of the notice date of the termination notice, unless the request is for continuance of benefits past the 24-month limit set forth at R6-12-317, or the 6-month limit set forth at R6-12-611.
- C. When the Department reinstates benefits to a recipient who missed a 6-month review due to the termination of benefits, the Department shall conduct the review at the earliest opportunity following reinstatement.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 3. NON-FINANCIAL ELIGIBILITY CRITERIA

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-301. Non-financial Eligibility Criteria

To qualify for CA, a person shall satisfy all applicable criteria set forth in this Article.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-302. Applicant and Recipient Responsibility

- A. An applicant for or recipient of assistance shall cooperate with the Department as a condition of initial and continuing eligibility. The applicant or recipient shall:
 1. Give the Department complete and truthful information;
 2. Inform the Department of all changes in income, assets, or other circumstances affecting eligibility or the amount

of the assistance payment within 10 days from the date the change becomes known; and

3. Comply with all the Department's procedural requirements.
- B. The Department may deny an application for assistance, reduce or terminate benefits, or change the manner of payment, if the applicant or recipient fails or refuses to cooperate without good cause. However, the Department shall not impose such sanctions for failure to comply with a procedural requirement about which the Department has not advised the applicant or recipient in writing.
- C. As a condition of eligibility, the Department shall require as a condition of eligibility the parent or NPCR to sign a Personal Responsibility Agreement when the parent or NPCR applies for benefits for a dependent child.
- D. The Department shall inform the parent or NPCR that the signature acknowledges that:
 1. The parent or NPCR is aware of and agrees to the statements in the Personal Responsibility Agreement regarding:
 - a. Preparing for and accepting employment to achieve self-sufficiency;
 - b. Ensuring school attendance by all school-age children;
 - c. Maintaining current immunizations for all dependent children; and
 - d. Cooperating with all rules and requirements of the Family Assistance, JOBS, and Child Care Administrations and of the Division of Child Support Enforcement.
 2. The parent or NPCR agrees to the statement of personal responsibility on behalf of all other current and future members of the assistance unit.
- E. The Department shall inform the parent or NPCR at the interview that failure to sign the Personal Responsibility Agreement will result in denial of CA benefits.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-303. Application for Other Potential Benefits

As a condition of eligibility, a person shall apply for all other benefits for which the person may be eligible, except SSI.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-304. Residency

- A. To qualify for CA, a person shall be an Arizona resident.
- B. An Arizona resident is a person who:
 1. Voluntarily resides and intends to make a permanent home in Arizona,
 2. Lives in Arizona at the time of making application, and
 3. Is not receiving public assistance from another state.
- C. A person terminates Arizona residency by:
 1. Leaving Arizona for more than 30 consecutive days, or

Department of Economic Security - Cash Assistance Program

2. Leaving Arizona with the intent to live elsewhere.
- D. The dependent child of a caretaker relative who is an Arizona resident is deemed an Arizona resident.
- E. The Department shall verify Arizona residency.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-305. Citizenship and Alienage

- A. To qualify for CA, a person shall be a United States citizen or a noncitizen legal alien who satisfies the requirements of PRWORA Section 431 and who meets eligibility requirements of PRWORA Section 402, not including any later amendments or editions, which are incorporated by reference and are available for inspection at the Department's Authority Library, 1789 West Jefferson, Phoenix, Arizona, and the Office of the Secretary of State, 1700 West Washington, Phoenix, Arizona.
- B. The Department shall verify legal alienage by obtaining a person's alien registration documentation, or other proof of immigration registration, from the U.S. Immigration and Naturalization Service (INS), or by submitting a person's alien registration number and other related information to the INS.
- C. A sponsor's income and resources shall not be included in the eligibility determination when a lawful permanent resident noncitizen verifies 40 quarters of employment history.
- D. An ineligible noncitizen may serve as payee for the eligible members of an assistance unit, but the Department shall exclude the needs of the ineligible noncitizen from the assistance grant.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-306. Eligible Persons

- A. To qualify for CA, an otherwise eligible person shall be:
 1. A dependent child under 18 years of age;
 2. A dependent child age 18 and, as provided in R6-12-314, who is a full time student in a secondary school, or the equivalent level of vocational or technical training school, and is reasonably expected to complete such education or training before turning age 19;

3. The parent of an eligible CA child; or
4. A non-parent caretaker relative of an eligible CA child when:
 - a. The parent of the dependent child:
 - i. Does not live in the NPCR's home,
 - ii. Lives with the NPCR but is also a dependent child, or
 - iii. Lives with the NPCR but cannot function as a parent due to a physical or mental impairment;
 - b. The NPCR provides the dependent child with physical care, support, guidance, and control; and
 - c. The dependent child resides with the NPCR.
- B. If otherwise eligible, the CA assistance unit shall include the following persons who are related to a dependent child for whom the applicant requests assistance:
 1. Any natural or adoptive parent, and
 2. Any natural or adopted brother or sister.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-307. Social Security Number

- A. To qualify for CA, a person shall furnish a social security number (SSN). If a member of an assistance unit lacks an SSN, the Department shall assist the person in applying for an SSN through procedures established between the Department and the United States Social Security Administration (SSA).
- B. The Department shall obtain verification of social security numbers through contact with the SSA.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Former Section renumbered to R7-12-314; new Section R6-12-307 renumbered from R6-12-314 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-308. Family Benefit Cap

- A. The Department shall not provide CA to a child except as provided in subsection (C), born during a month when:
 1. The parent or non-parent caretaker relative is receiving CA or supportive services, or
 2. The child is born to a mandatory member of a CA unit who is ineligible for CA benefits due to noncompliance or failure to meet an eligibility requirement.

- B.** A child born during any period of time specified in subsection (A) is ineligible for CA for a 60-consecutive-calendar-month period.
- C.** An assistance unit may receive CA benefits for a child that would otherwise be excluded under subsection (A) if:
1. The child is born within 10 calendar months of an initial CA eligibility determination;
 2. The parent has not received CA or supportive services for a minimum of 12 consecutive months, and the child is born:
 - a. No earlier than the 22nd month after the parent left CA; and
 - b. No later than the end of the 10th month after the parent returns to CA;
 3. The child is the firstborn of a dependent child who is included in a CA or supportive services assistance unit; or
 4. The child is born as a result of an act of sexual assault or incest and the applicant or recipient meets the following requirements:
 - a. The applicant or recipient shall file a written statement with the Department to certify that a child was conceived as a result of sexual assault or incest and shall provide supporting verification.
 - b. Acceptable verification includes:
 - i. Medical or law enforcement records in cases of sexual assault or incest, or
 - ii. Birth certificate or Bureau of Vital Statistics Records in cases of incest.
 - c. The Department shall accept the written statement of the applicant or recipient as verification of sexual assault or incest when the applicant or recipient is unable to provide evidence to support the claim of sexual assault or incest.
 - d. The FAA shall report allegations of sexual assault or incest to the Office of Special Investigations and, if the parent is a minor, to Child Protective Services. The Department shall not disclose the name, address, and any information concerning the sexual assault or incest to any person except those persons who require the information to investigate the allegations.
- D.** An assistance unit which includes a child who is ineligible due to the provisions of this Section may earn income up to the incremental benefit increase the assistance unit would otherwise receive for the ineligible child without any adverse affect on eligibility or benefit level. The Department shall disregard such income.
1. The disregard shall equal the difference between the benefit amount with the needs of the ineligible child included in the benefit computation and the benefit amount with the needs of the ineligible child excluded from the benefit computation.
 2. The Department shall apply the disregard after all other earned income disregards specified at R6-12-703 are first deducted.
- E.** The Department shall include a child who is ineligible for CA due to the provisions of this Section in the assistance unit's standard of need and shall count the income and resources of the ineligible child available to the assistance unit.
- F.** A child who is ineligible for CA due solely to the provisions of this Section may receive the following services, if otherwise eligible:
1. AHCCCS,
 2. JOBS,
 3. Child care, and
 4. Any other program or service for which CA recipients categorically qualify.
- G.** A parent or NPCR may receive CA for himself or herself when the only dependent child in the home is ineligible for assistance due to the provisions of this Section.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-309. Relationship

- A.** To qualify for CA, a dependent child shall reside with at least 1 of the following specified relatives:
1. A parent;
 2. A stepmother, stepfather, stepbrother, or stepsister;
 3. A person who is within the 5th degree of kinship to the dependent child, including: grandmother, grandfather, brother, sister, uncle, aunt, 1st cousin, nephew, niece, persons of preceding generations as denoted by prefixes "grand", "great", or "great-great", great-great-great grandparents, and 1st cousins once removed; or
 4. A spouse of any person named in the above groups, even if the marriage has been terminated by death or divorce.
- B.** The Department shall not determine a child or NPCR ineligible solely for any of the following reasons:
1. The dependent child is under the jurisdiction of a court;
 2. An agency or individual unrelated to the child has legal custody of the child;
 3. The dependent child, or the child's parent or NPCR, is temporarily absent from the child's home because:
 - a. The child is making a court-ordered visit to a non-custodial parent for a period not to exceed 3 consecutive months;
 - b. The child is visiting a parent who has a legal order awarding joint custody of the child, and the child resides with the parent who is part of the child's assistance unit for the entire calendar month;
 - c. The child is living in a Department-licensed shelter which does not receive funding under Title IV-A or IV-E of the Social Security Act, and the child is expected to return to the home within 30 days of issuance of the 1st benefit payment;
 - d. During the month for which benefits are sought, the child is entering or leaving foster care funded by other than Title IV-E of the Social Security Act;
 - e. The child is temporarily hospitalized;
 - f. The child is visiting friends or other relatives for a period not to exceed 3 consecutive months; or
 - g. The child is attending school but returns home at least once a year.
- C.** The Department shall verify the requisite degree of relationship between the child and the child's parent or NPCR.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption

from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-310. Deprivation

- A.** No child shall receive CA unless the child is deprived of parental support or care due to the continued absence, death, incapacity, or unemployment of the child's parent.
- B.** A child suffers deprivation by continued absence when the following 3 conditions are met:
 - 1. The child's natural or adoptive parent is out of the home for a minimum of 30 continuous days;
 - 2. The absence interrupts or terminates the parent's ability to provide maintenance, physical care, or guidance to the child; and
 - 3. The duration of the absence prevents the child from relying on the absent parent for support or care.
- C.** When the conditions listed in subsection (B) are met, the situations listed in this subsection may constitute deprivation by continued absence.
 - 1. A parent is absent due to involuntary hospitalization, incarceration, or deportation.
 - 2. A parent is a convicted offender who is living in the home while serving a sentence of unpaid public or community service; however, such parent shall not be considered part of the assistance unit for computation of the grant. The Department shall consider the parent to be out of the home for the purpose of deprivation.
 - 3. A single parent has adopted a child.
 - 4. The child's mother and putative father both dispute paternity, and there is no documentation to substantiate paternity.
 - 5. The parents have joint legal or physical custody of the child, but the child resides with 1 parent more than 50% of the time.
- D.** When a child satisfies the conditions set forth in subsection (B), the following circumstances shall not automatically preclude a finding of deprivation:
 - 1. A stepparent, substitute parent, parental co-habitant, or person other than the child's parent resides in the child's home;
 - 2. The child's home is considered unsuitable because of neglect, abuse, or exploitation;
 - 3. The parent or NPCR refuses to cooperate with the Department regarding child support enforcement or collection activities;
 - 4. The absent parent visits the child; or
 - 5. The mother and father of the child have some form of ongoing contact or relationship.
- E.** The circumstances listed in this subsection do not constitute deprivation by continued absence.
 - 1. The parent is voluntarily absent to visit friends or relatives, to seek employment, to maintain a job, to attend school or training, so long as the parent in the home and the absent parent do not regard themselves as separated.
 - 2. The parent is absent solely to serve active military duty.
 - 3. The parents maintain separate dwellings but consider themselves part of a single home or family unit.

- 4. One parent is deliberately absent from home in order to qualify the remaining family members for benefits.
- F.** A child is deprived if either parent of the child is deceased and the child has not been adopted. The applicant or recipient shall provide the Department with documentation verifying a death.
- G.** A child is deprived if either parent has a physical or mental defect, illness, or impairment that:
 - 1. Substantially decreases or eliminates the parent's ability to support or care for the child, and
 - 2. Is expected to last for a minimum of 30 continuous days.
- H.** A child is deprived when the primary wage earning parent is unemployed if the assistance unit meets all the requirements set forth in R6-12-609.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-311. Assignment of Support Rights; Cooperation

- A.** To qualify for CA, an applicant shall assign to the Department all rights to a support obligation from any other person the applicant or recipient may have in his or her own behalf or in behalf of any other family member for whom the applicant or recipient is applying for or receiving CA, including any unpaid support obligation or support debt which has accrued at the time the assignment is made.
- B.** A refusal to execute such an assignment is a refusal to complete the application and shall result in denial of the CA application.
- C.** An applicant or recipient shall cooperate with the Department to obtain support owing to the applicant or recipient, unless there is good cause for noncooperation, as described in R6-12-312.
- D.** After being approved for CA, the recipient shall transmit all monetary support received to the Department.
- E.** At the time of the initial interview and at all review interviews, the Department shall explain:
 - 1. The applicant's duty of cooperation,
 - 2. Good cause and how to establish it,
 - 3. The duty to send the Department any support the assistance unit members receive, and
 - 4. The consequences for breach of the duties set forth in this Section.
- F.** Cooperation shall include the actions listed in this subsection.
 - 1. Identifying and locating the parent of a child for whom CA is requested.
 - 2. Establishing the paternity of a child born out-of-wedlock, for whom CA is requested.
 - a. The applicant shall sign and complete an affidavit of paternity.
 - b. The mother and father of a child may voluntarily acknowledge paternity in a signed, notarized statement.
 - 3. Obtaining support payments, or other payments or property due the applicant or recipient for the benefit of the child.

4. Appearing at a child support enforcement office when requested, to provide oral or written information or documentary evidence known to, possessed by, or reasonably obtainable by the applicant or recipient.
 5. Appearing as a witness at a judicial or administrative hearing or proceeding when requested.
 6. Providing information, or attesting to the lack of information, when requested.
 7. Paying to the Department any support payments received from the absent parent after the assignment of rights pursuant to subsection (A) has been made.
- G.** If the applicant or recipient fails to cooperate as required by subsection (F) without good cause, the Department shall impose the penalties provided under R6-12-316.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-312. Good Cause for Non-cooperation with Child Support Enforcement

- A.** An applicant or recipient may establish good cause for non-cooperation with the Department. Good cause shall exist when:
1. Cooperation is reasonably likely to result in physical or emotional harm to the dependent child, parent in the home, or the NPCR, based on the factors identified in subsection (B);
 2. Legal proceedings for adoption of the dependent child are pending before a court;
 3. A public or private adoption entity is counseling the applicant regarding release of the dependent child for adoption, and such counseling has occurred for less than 3 months; or
 4. The dependent child was conceived as a result of incest or rape.
- B.** As used in subsection (A)(1):
1. Physical harm means an impairment of the human body of a serious nature.
 2. Emotional harm means an impairment that substantially affects the individual's ability to function.
- C.** In determining whether emotional harm will result for the purpose of subsection (A)(1), the Department shall consider:
1. The emotional state and psychological history of the person likely to suffer emotional harm,
 2. The degree of cooperation required,
 3. The extent of the individual's involvement in any cooperative efforts, and
 4. The intensity and probable duration of the emotional impairment.
- D.** An applicant or recipient shall provide evidence to verify good cause within 20 days of filing a claim of good cause, or upon approval of the application, whichever last occurs. If the applicant or recipient can establish difficulty in obtaining verification, the Department may extend this time limit for up to 30 days or longer.

- E.** Acceptable verification shall be documentation which establishes the claim of good cause by a preponderance of evidence and may include:
1. Birth certificate or Bureau of Vital Statistics Records in cases of incest;
 2. Medical or law enforcement records in cases of sexual assault or incest;
 3. Court records or other legal documents in cases of pending adoptions;
 4. A written statement from a private or public adoption entity in cases of adoption counseling;
 5. Court, medical, criminal, Child Protective Services, psychological, social services, or law enforcement records, in cases of physical or emotional harm; and
 6. Sworn statements from friends, neighbors, clergy, or other persons with personal knowledge of circumstances that would substantiate a claim of good cause.
- F.** If the applicant or recipient is unable to provide the verification specified in subsection (E) above, the applicant or recipient shall furnish information which permits the Department's Office of Special Investigations to investigate the good cause circumstances.
- G.** The Department shall not deny, delay, or discontinue assistance pending a determination of good cause.
- H.** The Department shall determine whether or not good cause exists within 45 days from the date the applicant or recipient makes the good cause claim. The Department may extend this time limit if additional time is required to verify the claim.
- I.** If the Department finds that good cause does not exist, the applicant or recipient shall cooperate with the requirements of R6-12-311(F) within 10 days following the date the Department notifies the applicant or recipient of the good cause decision.
- J.** The Department shall redetermine a claim of good cause;
1. At each 6-month review, and
 2. When circumstances change such that good cause no longer exists.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-313. Participation in JOBS; Exemptions; Good Cause Exceptions

- A.** As a condition of eligibility, a recipient of CA shall participate in the Job Opportunities and Basic Skills Training Program (JOBS) as prescribed in A.A.C. R6-10-101 through R6-10-121, unless FAA determines that the person is exempt.
- B.** The following persons are exempt from participation
1. A child who is under age 16, except for a custodial parent or pregnant girl age 13 through age 15 who lacks a high school diploma, or its equivalent, and is not enrolled in high school or an equivalent course of instruction;
 2. Notwithstanding subsection (B)(1) above, a custodial parent or pregnant girl under age 16 who is assigned to the control group as prescribed in R6-12-105 is exempt;

3. A child who is age 16 or age 17, or age 18 if reasonably expected to complete school before reaching age 19, and a full-time student at an elementary, secondary, vocational or technical school, so long as the educational or training program was not assigned as a JOBS activity;
 4. A person who is currently employed at least 30 hours per week in unsubsidized employment which pays at least the federal minimum wage and which is expected to last at least 30 days; any interruption in such employment shall not exceed 10 days; and
 5. A Native American tribal member who resides in an area covered by a Tribal JOBS program.
- C. Exempt status shall terminate when the condition giving rise to the exemption terminates.
- D. If a person fails or refuses to participate in JOBS without good cause, the Department shall impose the penalties specified in R6-12-316.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-314. School Attendance

- A. As used in R6-12-306(A)(2), full-time school attendance means:
1. For high school, attendance which the school defines as full time;
 2. For a trade or technical school involving shop practice, 30 hours per week; and
 3. For a trade or technical school involving no shop practice, 25 hours per week.
- B. The Department shall verify school attendance through school records establishing full-time status and, for 18-year olds, expected date of graduation.
- C. The Department shall require each parent or NPCR to verify either full-time school attendance by the child or full-time home schooling of the child when the parent or NPCR applies for or receives CA on behalf of a dependent child.
- D. Acceptable verification shall include:
1. The parent or NPCR's written statement,
 2. A statement from the school, or
 3. A statement from the County Department of Education.
- E. If a parent or NPCR fails to verify compliance with the school attendance requirements in this subsection, the Department shall impose the penalties specified in R6-12-316.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Former Section R6-12-314 renumbered to R7-12-307; new Section R7-12-314 renumbered from R7-12-307 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, §

74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-315. Immunization

- A. The Department shall require each parent or NPCR to verify that the child is immunized, when the parent or NPCR applies for or receives CA on behalf of a dependent child.
- B. The Department shall require this verification at the initial interview and at each review. Acceptable verification shall include:
1. The parent or NPCR's written statement; or
 2. A written statement from a physician, hospital, or clinic.
- C. When the parent or NPCR is unable to verify the child's immunizations at the initial interview, the Department shall inform the parent or NPCR that verification of the child's immunization will be required at the next review.
- D. When a parent or NPCR is unable to verify the child's immunization at the review, the Department shall impose the progressive sanction penalties as specified in R6-12-316.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Section R6-12-315 renumbered to R6-12-318; new Section R6-12-315 adopted effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-316. Sanctions for Noncompliance

- A. The Department shall notify the assistance unit of benefit reduction or case closure when:
1. Benefits will be reduced or the case closed because of noncompliance with the requirements of R6-12-311, R6-12-312, R6-12-313(C), and R6-12-314; and
 2. The assistance unit's benefits are not currently reduced because of sanctions.
- B. The notice shall include the following information:
1. A brief statement of the progressive sanction policy as follows:
 - a. For the 1st sanction, the Department will reduce cash benefits by 25% for at least 1 month;
 - b. Unless all members are in compliance by the end of the sanction month, the Department will impose another sanction.
 - c. For the 2nd sanction, the Department will reduce cash benefits by 50% for at least 1 month.
 - d. For the 3rd and subsequent sanctions, the Department will close the case and it must remain closed for at least 1 month;
 2. The month the sanction will be effective; and
 3. The name and telephone number of the person to contact for information on what the noncompliant member must do to comply.

- C. The Department shall impose the sanction effective for the 1st possible benefit month, allowing for 10-day notice of adverse action.
- D. The Department shall not impose the above penalties on TPEP assistance units but shall follow the steps below:
 - 1. The Department shall notify the TPEP assistance unit of benefit withholding or case closure when:
 - a. Benefits will be withheld or the case closed because of noncompliance with the requirements of R6-12-311, R6-12-312, R6-12-313(C), and R6-12-314; and
 - b. The assistance unit's benefits are not currently being withheld.
 - 2. The Department shall notify the Assistance unit that:
 - a. The TPEP benefit checks will be withheld until the noncompliant person has completed a new work cycle in compliance;
 - b. The name and telephone number of the person to contact for information on how to comply;
 - c. That when 3 checks have been withheld in any 6-month period, the Department will close the TPEP case.
- E. For sanctioned assistance units in the Control Group only, the Department shall:
 - 1. Restore cash benefits to 100% when:
 - a. The assistance unit verifies compliance with JOBS or DCSE prior to the effective date of the sanction, and
 - b. The assistance unit currently has no prior sanction months.
 - 2. Impose the next sanction received by the assistance unit at the 2nd (50%) level.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Section R6-12-316 renumbered to R6-12-319; new
 Section R6-12-316 adopted effective July 31,
 1997, under an exemption from the provisions of A.R.S.
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Editor's Note: *The following new Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

R6-12-317. Voluntary Quit/Reduction in Work Effort

- A. The Department shall disqualify the member or the household as described in R6-12-317(B) and (C) when a member of an assistance unit, within 60 days prior to the date of the application or any time thereafter, voluntarily and without good cause:
 - 1. Terminates employment from a job in which the individual was:
 - a. Employed at least 20 hours a week,
 - b. Earning weekly income equal to the then current minimum wage multiplied by 20;
 - 2. Reduces the number of hours worked each week from 30 or more to less than 30; or
 - 3. Participates in a strike against the government, when the member is an employee of the local, state, or federal government.
- B. When the member is the PI of the assistance unit, the Department shall close the case. The assistance unit of which the member remains the PI is ineligible for CA benefits for the minimum period specified in R6-12-317(D) or until the assistance unit reapplies, whichever is longer.
- C. When the member is not the PI of the assistance unit, the Department in determining eligibility and benefit level for the assistance unit for the minimum period specified in R6-12-317(D) or until the assistance unit reapplies, whichever is longer, shall:
 - 1. Exclude the needs of the member; and
 - 2. Include the otherwise countable income, resources, and expenses of the member.
- D. The minimum disqualification periods are:
 - 1. For the 1st offense, 1 month;
 - 2. For the 2nd offense, 3 months; and
 - 3. For the 3rd and subsequent offenses, 6 months.
- E. The Voluntary Quit/Reduction in Work Effort disqualification provisions shall apply to all members of the assistance unit who are not exempt from JOBS participation, as provided in R6-12-313. A member who is exempt from participation in JOBS because of employment is not exempt from the Voluntary Quit/Reduction of Work Effort provisions due to JOBS employment.
- F. Good cause for voluntarily quitting a job or reducing the number of hours worked includes:
 - 1. Circumstances beyond the member's control, such as illness of another assistance unit member requiring the presence of the member, unavailability of transportation, unanticipated emergency, unsuitability of work, or the lack of adequate child care for individuals responsible for the care of children under 12 years old;
 - 2. The member's inability to write or speak English;
 - 3. Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs;
 - 4. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;
 - 5. Resignation by a member under age 60 who is recognized by the employer as retired;
 - 6. Employment which becomes unsuitable by not meeting the suitability of work criteria listed in subsection (F)(9) after the acceptance of employment;
 - 7. Acceptance of new employment of comparable hours and salary to the job which was quit, which, through no fault of the member, subsequently:
 - a. Does not materialize,
 - b. Results in a lay off,
 - c. Results in employment of less than 20 hours a week, or
 - d. Results in weekly earnings of less than the federal minimum wage multiplied by 20 hours,
 - 8. Leaving a job in connection with patterns of employment in which workers frequently move from 1 employer to another such as migrant farm labor or construction work;
 - 9. Employment that is unsuitable. Employment is unsuitable when the following conditions apply:
 - a. The wage offered is less than the higher of:
 - i. The federal minimum wage or the training wage, when applicable, if the employment is covered by federal regulations; or
 - ii. Eighty percent of the federal minimum wage when the employment is not covered by federal regulations;
 - b. The employment offered is on a piece-rate basis, and the average hourly yield which the employee can

Department of Economic Security - Cash Assistance Program

- reasonably be expected to earn is less than the applicable hourly wage as specified above;
- c. As a condition of employment, the employee is required to join, resign from, or refrain from joining any legitimate labor organization;
 - d. The work offered is at a site subject to strike or lock-out, unless the strike has been enjoined under the Taft-Hartley Act (Section 208 of the Labor Management Relations Act, (29 U.S.C. 178)) or an injunction issued under Section 10 of the Railway Labor Act (45 U.S.C. 160). A striker who belongs to a union may not refuse work solely because the job offered is a nonunion job;
10. An employment opportunity is unsuitable when an individual can demonstrate, or the Department finds that:
- a. The degree of risk to the individual's health and safety is unreasonable;
 - b. The individual is physically or mentally incapable of performing the assigned tasks of employment as documented by medical evidence or reliable information obtained from other sources;
 - c. The distance of employment from the member's place of residence is unreasonable, with respect to the expected wage and the time and cost of commuting;
 - i. Employment is unsuitable if the commuting time exceeds 2 hours per day, exclusive of time required to transport a child to and from a child care facility.
 - ii. Employment is unsuitable when the distance prohibits walking, and neither public nor private transportation is available.
 - d. The working hours or type of employment interferes with the individual's religious observances, convictions, or beliefs.
- other member of the household is available to provide the needed care; or
5. Is determined by JOBS Administration to be exempt because the person:
 - a. Works in a JOBSTART-subsidized placement pursuant to Article 13,
 - b. Is a victim of domestic violence.
- B.** The Department shall remove the ineligible adult from the assistance grant at the end of the 24 eligible months but shall continue to provide benefits for other eligible assistance unit members.
1. The Department shall count the income and resources of the ineligible adult available to the assistance unit.
 2. The ineligible adult may serve as the payee for the assistance unit.
- C.** The Department shall calculate the 24-month limit, and the 60-month period, beginning with the 1st day of the calendar month the recipient is 1st eligible for benefits but shall not include any month prior to November 1, 1995, in the calculation. A month in which an adult is ineligible due to noncompliance with an eligibility requirement is counted towards the 24-month limit.
- D.** The 24-month limit and 60-month period begin in the calendar month following the month the person reaches age 18.
- E.** Once the 60-month time period begins, it continues for 60 consecutive months. A subsequent 60-month period begins the 1st eligible month following expiration of a prior 60-month period.
- F.** The following shall not count against the 24-month limit:
1. A month of initial eligibility with a prorated benefit amount;
 2. A month the assistance unit is eligible but receives no payment because the benefit amount is less than \$10;
 3. A retroactive benefit for any eligible month prior to November 1, 1995; or
 4. A month for which a cancelled or expired warrant is not replaced.
- G.** An assistance unit which includes a person who is ineligible for CA due to the 24-month limit provisions of this Section may earn up to the incremental benefit amount otherwise payable for the ineligible person without any adverse affect on eligibility or benefit level. The Department shall disregard such income.
1. The disregard shall equal the difference between the benefit amount with the needs of the ineligible adult included in the computation and the benefit amount with the needs of the ineligible adult excluded from the computation.
 2. The Department shall apply the disregard after all other earned income disregards specified at R6-12-703 are first deducted.
- H.** The Department shall conduct regular eligibility reviews as prescribed in R6-12-210 for an assistance unit which includes an adult who is ineligible because of the 24-month limit.
- I.** A person who is ineligible for CA due to the 24-month limit may receive the following services, if otherwise eligible:
1. AHCCCS,
 2. JOBS,
 3. Title IV-A child care, and
 4. Any other program or service for which a CA recipient categorically qualifies.
- J.** The Department shall provide the assistance unit with written notice of the opportunity to apply for an extension at least 30 days prior to removing an ineligible adult from the assistance grant due to the 24-month limit.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Section R6-12-317 renumbered to R6-12-320; new
 Section R6-12-317 adopted effective July 31,
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Editor's Note: *The following new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

R6-12-318. Duration of Assistance

- A.** A person may receive CA benefits for no more than 24 months within any consecutive 60-month period, except that the 24-month limit shall not apply to a person who:
1. Is under 18 years of age;
 2. Is 62 years of age or older;
 3. Suffers from a physical or mental incapacity which prevents the person from engaging in employment or training as determined by a licensed physician or psychologist;
 4. Is required to remain in the home on a continuous basis to give full-time care to another member of the household who suffers from a physical or mental incapacity as determined by a licensed physician or psychologist, and no

Historical Note

New Section renumbered from R6-12-315 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-319. Extension of the 24-month Limit

- A.** A recipient may request an extension of the 24-month limit by filing a written request with the Department within 10 calendar days from the date of the notice prescribed in R6-12-318(J). The request shall include the reason for an extension. The Department shall consider the mailing date of the request to apply for an extension as the filing date.
 1. The Department shall accept an extension request filed on or before the last day of the 24th eligible month, or last day of an eligible extension month, if the recipient establishes good cause for not filing the extension application within 10 calendar days from the notice date of the opportunity to apply for an extension.
 2. For the purpose of this Section, the following circumstances shall constitute good cause:
 - a. The recipient was ill or incapacitated;
 - b. The recipient had a crisis, emergency, or death in the recipient's immediate family; or
 - c. Other similar circumstances beyond the recipient's control which prevented the recipient from filing the extension application within the 10-day period.
- B.** The Department may grant an extension of the 24-month limit if the recipient demonstrates a good faith effort to find and accept employment with gross monthly earnings which are at least equal to the incremental benefit amount otherwise payable for the ineligible adult.
- C.** To qualify for an extension, the recipient shall establish that he or she has followed a course of action throughout the period of CA eligibility which is reasonably designed to result in employment and which demonstrates a willingness to work. The Department shall determine good faith from the recipient's entire course of action and may consider the following actions as evidence of a good faith effort to secure employment:
 1. Complying with the terms of the JOBS employability plan developed for the person;
 2. Making application with employers who may reasonably be expected to have openings suitable for the person;
 3. Responding to newspaper advertisements or other job listings for work which appear suitable for the person;
 4. Applying for employment with former employers when the person terminated the employment in good standing;
 5. Registering for suitable work with the Department's Job Service, a private employment agency, or an employer's placement facility;
 6. Registering with a placement facility of a school, college, or university if one is available to the person in his or her occupation or profession;
 7. Registering and continuing follow-up checking with the person's union hiring or placement facility;
 8. Registering with a placement facility of the person's professional organization;
 9. Making application or taking examination for openings in the civil service of a governmental unit; or
 10. Other similar or comparable action which demonstrates an effective means of seeking work suitable to the person.
- D.** The recipient has the burden to prove the inability to earn income at least equal to the amount of the benefit that the recipient became ineligible to receive, despite a good faith effort to do so.
- E.** To qualify for an extension, the recipient shall:
 1. Make at least 3 contacts, as prescribed in subsection (C) above, each month throughout the period of CA eligibility; and
 2. Provide verification of the efforts taken to secure employment:
 - a. At each 6-month eligibility review, and
 - b. When an extension is requested.
- F.** In making the determination of a good faith effort to secure employment, the Department shall consider the customary methods of obtaining work in the person's usual occupation, or other work for which the person is reasonably suited, and the current condition of the local labor market.
- G.** A person is deemed to have failed to make a good faith effort to seek work if the person has willfully followed a course of action designed to discourage prospective employers from hiring the person for suitable work.
- H.** The Department shall not grant an extension to a person who:
 1. Cannot demonstrate a good faith effort to find and accept employment as prescribed in subsections (C) and (E);
 2. Refuses, without demonstrating good cause, to accept a bona fide offer of employment which would provide income at least equivalent to the portion of the CA grant for which the person is no longer eligible;
 3. Cannot demonstrate or refuses to produce a good cause reason for not accepting an offer of employment that the Department is aware has been made and which would provide income at least equivalent to the portion of the CA grant for which the person is no longer eligible;
 4. Cannot demonstrate or refuses to produce a good cause reason for voluntarily quitting a job;
 5. Is discharged from a job for reasons of misconduct as prescribed in 6 A.A.C. 3, Article 51;
 6. Cannot demonstrate or refuses to produce a good cause reason for voluntarily acting to reduce employment earnings; or
 7. Cannot demonstrate that the person has cooperated with the Department during the extension application process.
- I.** For the purpose of this Section, good cause is limited to the following circumstances which prevent the person from finding, accepting, or maintaining employment:
 1. The person is ill or incapacitated;
 2. The person could not report to the work site due to a lack of public or private transportation;
 3. The person was incarcerated or ordered to make a court appearance, and the total circumstances were beyond the person's control;
 4. The person had an emergency or death in the person's immediate family;
 5. Severe weather conditions prevented the recipient and other persons similarly situated from traveling to or participating in the employment activity;
 6. The person has been referred to a job or employment which is the subject of a strike, lockout, work stoppage, or other bona fide labor dispute;
 7. The person lacks available and appropriate child care; or
 8. Other similar circumstances beyond the person's control.

Department of Economic Security - Cash Assistance Program

- J. The Department shall grant an extension of eligibility for 6 months at a time, if the assistance unit continues to meet all CA eligibility requirements.

Historical Note

New Section renumbered from R6-12-316 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-320. Extension of 24-month Limit to Complete Education or Training

- A. A recipient may receive a maximum of 24-month extensions of the 24-month limit to allow the recipient to complete an education or job-training program designed to help the recipient become self-sufficient.
- B. A recipient may request an extension to complete education or training by filing a written request with the Department within 10 calendar days from the notice date of the opportunity to apply for an extension provided to the recipient. The Department shall consider the mailing date of the request to apply for an extension as the filing date.
1. The request shall include the reason for an extension.
 2. A separate request is required for each 4-month extension.
- C. In order to qualify for an extension to complete education or training:
1. The person shall participate full-time in:
 - a. A postsecondary education program of study offered by a university, college, or community college, which will result in an Associate or Bachelor's degree;
 - b. A program or course of study offered by a vocational, technical, or recognized proprietary school which will result in a diploma or certificate for a job skill directly related to obtaining self-supporting employment in a recognized occupation; or
 - c. A job training or employment activity approved by JOBS which is consistent with the person's employability plan;
 2. The educational or training program must have started before the end of the 24-month period;
 3. The person must be expected to complete the education or training program during the extension periods;
 4. The person shall demonstrate successful progress toward completion of the educational or training program;
 - a. Successful progress toward completion of an educational or training program means that the person is meeting, on a periodically measured basis of less than 1 year, such as quarterly, a consistent standard of progress based upon a written policy developed by the educational institution or training program in which the person is enrolled.
 - b. Such standard includes both a qualitative measure of a person's progress, such as competency gains, Grade Point Average necessary to obtain a degree or certificate, or proficiency level, and a quantitative

measure, such as a reasonable time limit for completion of the educational or training program; and

5. The assistance unit shall continue to meet all other CA eligibility requirements.

Historical Note

New Section renumbered from R6-12-317 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 4. FINANCIAL ELIGIBILITY: RESOURCES

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-401. Treatment of Resources; Limitations

- A. In determining eligibility, the Department shall include all resources available to the assistance unit, unless excluded by applicable law.
- B. An assistance unit is ineligible for CA for any month in which the unit's resources exceed \$2,000, after application of all available exclusions.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4)
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-402. Treatment of Resources by Ownership Status; Availability

- A. The Department shall consider the resources belonging to the persons listed in this subsection available to the assistance unit.
1. An assistance unit member;
 2. A mandatory member of the assistance unit who is ineligible for CA for failure to comply with an eligibility requirement;
 3. A mandatory member of the assistance unit who is ineligible due to disqualification for Intentional Program Violation, as provided in Article 12;
 4. A stepparent who makes resources available to the assistance unit;
 5. The sponsor of a noncitizen, as provided in R6-12-603.
- B. The Department shall consider the resources of the persons listed in this subsection unavailable to the assistance unit.
1. A non-parent relative who is not included in the assistance unit;
 2. An SSI recipient, as to resources held as sole and separate property, or counted in the determination of SSI eligibility;
 3. A dependent child for whom deprivation does not exist;

4. An ineligible noncitizen sibling of a dependent child in the assistance unit;
 5. An ineligible noncitizen parent;
 6. A dependent child who is not included in the assistance unit due to receipt of adoption assistance or foster care payments under Title IV-E of the Social Security Act.
- C.** The Department shall consider ownership in determining availability of the resources to the assistance unit.
1. The sole and separate property of 1 spouse is deemed unavailable to the other spouse, unless the owner spouse makes the property available to the other spouse.
 2. Jointly owned resources, with ownership records containing the words "and" or "and/or" between the owners' names, are deemed available when all owners can be located and consent to disposal of the resource, except that such consent is not required if all owners are members of the assistance unit.
 3. Jointly owned resources, with ownership records containing the word "or" between the owners' names, are deemed available in full to each owner. When more than 1 owner is a member of an assistance unit, the equity value of the resource is counted only once.
- D.** The Department shall consider the following resources unavailable to the assistance unit:
1. Property subject to a spendthrift restriction. Such property may include:
 - a. Irrevocable trust funds;
 - b. Accounts established by the Social Security Administration, Veteran's Administration, or some other entity, which mandate that the funds in the account be used for the benefit of a person not residing with the assistance unit.
 2. Resources being disputed in divorce proceedings or in probate matters.
 3. Real property situated on a Native American reservation.
7. When the assistance unit owns real property, other than the usual residence described in subsection (A)(1) above, and is making a good faith effort to dispose of it, the equity value shall be excluded for 6 months, subject to the conditions listed in this subsection:
 - a. The applicant shall sign an agreement to:
 - i. Dispose of the property; and
 - ii. Repay the Department, from the net proceeds of disposal, the amount of any assistance the unit receives during the period of time the unit would otherwise have been ineligible because the property value exceeded resource limitations;
 - b. The amount repaid shall not exceed the net proceeds of disposal;
 - c. If the assistance unit does not dispose of the property within 6 months, the Department shall write an overpayment and the assistance unit shall repay any assistance received during that period;
 8. Any other resource specifically excluded by law.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-403. Treatment of Resources; Exclusions

- A.** The Department shall exclude the equity value of the resources listed below, as provided in this Section.
1. The usual residence of the assistance unit members;
 2. One burial plot for each member of the assistance unit;
 3. Household furnishings used by the assistance unit members in their usual place of residence, and personal effects essential to day-to-day living;
 4. Up to \$1500 of the value of 1 bona fide funeral agreement, for each member of the assistance unit;
 5. The value of 1 motor vehicle regularly used for transportation. If the unit owns more than 1 vehicle, the exclusion is applied to the vehicle with the highest equity value, and the equity value of all remaining vehicles is counted, subject to the limitations described in this Section;
 6. In addition to the exclusion described in subsection (A)(5), the Department shall exclude the value of the following vehicles:
 - a. A vehicle used to produce income; and
 - b. When the household has a member who is an SSI recipient:
 - i. The value of any vehicle in which the SSI recipient has an ownership interest; and
 - ii. The value of any vehicle used for medical treatment, employment, or transportation of a dis-

abled child, and which is excluded by SSI for that reason;

R6-12-404. Individual Development Accounts

- A.** An individual development account (IDA) is a special savings account which allows a recipient of both CA and Food Stamp Program benefits to accumulate funds to achieve educational or training goals.
- B.** Financial institutions licensed by the Arizona State Banking Department shall administer IDAs.
1. IDAs shall earn the same interest rate as is offered to other bank customers for like accounts.
 2. A financial institution may prescribe such terms and conditions relating to IDAs as are permissible under the laws of this state and federal banking law.
- C.** A member of an assistance unit that receives both CA and food stamp benefits may establish an IDA.
1. No assistance unit shall hold more than 1 IDA.
 2. A person found to have committed an intentional program violation or fraud related to the CA, food stamp, or AHCCCS programs shall not hold an IDA.
- D.** An assistance unit member who establishes an IDA shall sign a document authorizing the financial institution to release account information to the Department.
- E.** The following persons can make deposits into an IDA:
1. The account holder;
 2. A member of the account holder's assistance unit;
 3. A person who is not a member of the account holder's assistance unit; or
 4. A non-profit organization with a recognized tax exempt status under 26 U.S.C. 501(c)(3) or A.R.S. § 43-1201. A non-profit organization making deposits into an IDA:
 - a. Shall designate that such funds are intended solely for educational or training purposes, and

Department of Economic Security - Cash Assistance Program

- b. May set other terms and conditions regarding the withdrawal or use of the funds.
- F. An applicant for assistance shall not place countable income or resources into an IDA for the purpose of qualifying for CA or Food Stamp Program benefits. Any money so deposited counts as a resource.
- G. The Department shall exclude from the resource limitation set forth at R6-12-401(B) the balance held in an IDA which at any 1 time is \$9,000 or less, except that any cumulative deposits over the life of an IDA which exceed \$12,000 shall count against the resource limitation.
- H. The Department shall disregard as countable income:
 - 1. Fifty percent of any earned income of the assistance unit which is deposited into an IDA, except that the Department shall not disregard more than \$100 per month of earned income; and
 - 2. All interest earned on an IDA.
- I. An assistance unit which holds an IDA shall:
 - 1. Report to the Department all income which is deposited into an IDA or withdrawn from an IDA; and
 - 2. Submit account statements to the Department at each eligibility redetermination.
- J. A recipient of both CA and food stamp benefits may withdraw funds from an IDA for:
 - 1. Educational costs at an accredited institution of higher education; or
 - 2. Training costs for an accredited, licensed, or certified training program.
- K. As used in subsection (J), above:
 - 1. Educational and training costs are limited to:
 - a. Tuition and other mandatory fees charged to all students, or to all students within a certain curriculum;
 - b. Books;
 - c. Transportation; and
 - d. Miscellaneous personal expenses necessary to pursue education or training.
 - 2. An institution of higher education means a public or private educational institution defined at A.R.S. § 23-618.02.
 - 3. A training program means a course of study offered by a vocational, technical, or recognized proprietary school which will result in a diploma or certificate for a job skill which is directly related to obtaining useful employment in a recognized occupation.
- L. Withdrawals from an IDA for purposes other than those described in subsection (K) shall count as income to the assistance unit in the month of withdrawal, unless the money was previously counted as income to the assistance unit at the time of receipt.
- M. If there is a break in CA or food stamp benefits of at least 1 full month, upon reapplication the Department shall consider any remaining monies in an IDA as countable resources and shall not disregard any future deposits into an IDA.
- N. The Department's Office of Special Investigations shall investigate allegations of fraud or abuse involving IDAs, including situations where there is evidence or reason to believe that a deposit to an IDA was made from:
 - 1. Income which was available to the assistance unit but was not reported to the Department;
 - 2. Individual contributions which should have been counted as income or child support; or
 - 3. Proceeds from illegal activities.
- O. The Department shall not disregard as income or resources any deposit made into an IDA from income sources described in subsection (N), or any deposit which is otherwise contrary to

the provisions of this Section. The Department shall establish any resulting overpayment.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-405. Resource Transfers; Limitations

- A. An applicant or recipient shall not transfer a resource with the intent to qualify or attempt to qualify for CA within 1 year prior to application or while receiving assistance, unless fair consideration was received.
- B. Except as otherwise provided in this Section, when a applicant or recipient does not receive fair consideration for a transferred resource (an improper transfer), the assistance unit shall be ineligible for CA.
 - 1. The period of ineligibility shall begin in the month in which the transaction occurred.
 - 2. The Department shall compute the duration of ineligibility by subtracting the consideration actually received, from the equity value of the transferred resource, and dividing that sum by the monthly need standard for the assistance unit. The resulting number shall be the number of months the unit is ineligible.
- C. An improper transfer shall not affect eligibility when the equity value of the transferred resource, plus the value of the unit's other available resources, does not exceed the resource limitation.
- D. The improper transfer of homestead property shall not affect eligibility if the property was transferred because the person cannot continue residing in the home for health reasons, as determined by a competent medical authority.
- E. If an applicant or recipient disposes of homestead property, the Department shall count, as a resource, all proceeds of the sale not reinvested in homestead property, when the applicant or recipient:
 - 1. Invests the proceeds in a resource other than homestead property,
 - 2. Advises the Department that such proceeds will not be reinvested in other homestead property, or
 - 3. Fails to purchase new homestead property within 90 days of the date of sale.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-406. Resource Verification

The Department shall verify all resources before determining income eligibility and benefit amount.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

ARTICLE 5. FINANCIAL ELIGIBILITY: INCOME**R6-12-501. Treatment of Income; In General**

- A.** In determining eligibility and benefit amount, the Department shall treat all income of the assistance unit in accordance with the provisions of this Article.
- B.** As used in this Section, the term "income" shall include the following, when actually received by the assistance unit:
1. Gross earned income from public or private employment, including in-kind income, before any deductions;
 2. For self-employed persons, the sum of gross business receipts minus business expenses; and
 3. Unearned income, such as benefits or assistance grants, minus any deductions to repay prior overpayments or attorneys' fees.
- C.** The Department shall consider all gross income available to the assistance unit in determining eligibility and benefit amount except for those types of income excluded under R6-12-503.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-502. Income Available to the Assistance Unit

- A.** The Department shall consider the income of the persons listed in this subsection available to the assistance unit.
1. An assistance unit member,
 2. A mandatory member of the assistance unit who is ineligible for CA for failure to comply with an eligibility requirement,
 3. A mandatory member of the assistance unit who is ineligible due to disqualification for Intentional Program Violation, as provided in Article 12,
 4. A dependent child's parent who is excluded from the assistance unit for failure to meet an eligibility requirement,
 5. The spouse of an NPCR if the NPCR is included in the assistance unit.
- B.** The Department shall deem the income of the persons listed in this subsection available to meet the needs of the assistance unit, pursuant to the applicable deeming procedures set forth in R6-12-603, R6-12-605, R6-12-607, and R6-12-608.
1. The sponsor of a noncitizen.
 2. A dependent child's parent who is a noncitizen admitted to the United States pursuant to 8 U.S.C. 1255(a) or 1160, as amended through October 25, 1994, which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions, unless such parent is eligible for inclusion in the assistance unit pursuant to R6-12-305(A).
 3. A stepparent who lives in the household with a dependent child but who is not included in the assistance unit.
 4. A parent of a minor parent who lives in the household with the minor parent and the dependent child.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-503. Income Exclusions

The Department shall not count the types of income listed in this Section when determining the income of an assistance unit.

1. Loans;
2. Educational grants or scholarships;
3. Income tax refunds, including any earned income tax credit;
4. Non-recurring cash gifts which do not exceed \$30, per person in any calendar quarter;
5. Cash contributions from other agencies or organizations so long as the contributions are not intended to cover items which CA is intended to cover, specifically:
 - a. Food;
 - b. Shelter, including only rent or mortgage payments;
 - c. Utilities;
 - d. Household supplies, including bedding, towels, laundry, cleaning, and paper supplies;
 - e. Public transportation fares for personal use;
 - f. Basic clothing or diapers; or
 - g. Personal care and hygiene items, such as soap, toothpaste, shaving cream, and deodorant;
6. The face value of food stamp coupons;
7. The value of governmental rent and housing subsidies;
8. The value of energy assistance which is provided:
 - a. Either in cash or in kind by a government agency or municipal utility, or
 - b. In kind by a private non-profit organization;
9. Vendor payments;
10. Vocational rehabilitation program payments made as reimbursements for training-related expenses, subsistence and maintenance allowances, and incentive payments which are not intended as wages;
11. Earnings from high school on-the-job training programs;
12. Reimbursements for JOBS Program training-related expenses;
13. Agent Orange payments;
14. Burial benefits which are dispersed solely for burial expenses;
15. Disaster assistance provided by the Federal Disaster Relief Act, or comparable assistance provided by state or local governments, or disaster assistance organizations;
16. Foster care payments;
17. Radiation exposure compensation payments;
18. Income received from VISTA which does not exceed the state or federal minimum wage;
19. Benefits from the Special Supplemental Food Program for Women, Infants, and Children (WIC);
20. Reimbursements for work-related expenses which do not exceed the actual expense amount;

21. Earned income of dependent children who are students enrolled and attending school at least halftime as defined by the institution;
22. Income received from Americorp Network Program pursuant to subsection (5);
23. Any other income specifically excluded by applicable state or federal law.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-504. Special Income Provisions: Child Support, Alimony, or Spousal Maintenance

- A. The Department shall count child support, alimony, or spousal maintenance, received by a member of the assistance unit before the eligibility determination date, as income in the month received.
- B. After the eligibility determination date, and if the application is approved, the Department shall count current child support, alimony, or spousal maintenance received by the Department's Division of Child Support Enforcement (DCSE), on behalf of an assistance unit member, as income in the month received for the purpose of determining continued eligibility.
 1. Such income is attributed to the assistance unit, and added to the unit's other income, to determine if the assistance unit meets the financial eligibility criteria.
 2. If the unit continues to satisfy the financial eligibility criteria, the Department shall compute the assistance unit's benefit amount without regard to the support DCSE has collected, except that any collected funds which DCSE passes on to the assistance unit shall be treated as unearned income in the month received.
- C. After the eligibility approval date, if an assistance unit member receives child support, alimony, spousal maintenance, or medical support after assigning to the Department the right to such support, and the member fails to turn over the support to the Department, the Department shall:
 1. Count the support received directly by an assistance unit member, as provided above in subsection (A); and
 2. Sanction the caretaker relative as provided in R6-3-12-311(G) by excluding that member's needs from the computation of the assistance grant and appointing a protective payee.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not sub-

mit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-505. Special Income Provisions: Nonrecurring Lump Sum Income

When an assistance unit receives a nonrecurring lump sum payment, the Department shall consider the lump sum payment as a resource in accordance with Article 4.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-506. Determining Monthly Income

- A. For each assistance unit, the Department shall calculate monthly income using the methods described in R6-12-507.
- B. The projected income shall include income which the assistance unit has received and reasonably expects to receive in a benefit month and shall be based on the Department's reasonable expectation and knowledge of the assistance unit's current, past, and future circumstances.
- C. The Department shall include in its calculation all gross income from every source available to the assistance unit unless specifically excluded in this Article or by the federal Social Security Act.
- D. The Department shall convert income received more frequently than monthly into a monthly amount as follows:
 1. Multiply weekly amounts by 4.3,
 2. Multiply bi-weekly amounts by 2.15,
 3. Multiply semi-monthly amounts by 2.
- E. The Department shall determine a new calculation of projected income:
 1. At each review, and
 2. When there is a change in countable income.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-507. Methods to Determine Projected Monthly Income

- A. The Department shall determine projected monthly income for an assistance unit by the methods described in this Section.
- B. Averaging income.
 1. When using this method, the Department shall add together income from a representative number of weeks or months and then divide the resulting sum by the same number of weeks or months.
 2. The Department shall average income for an assistance unit which receives income:
 - a. Irregularly; or
 - b. Regularly, but from sources or in amounts which vary.
- C. Prorating income.
 1. When using this method, the Department shall average income over the period of time the income is intended to cover.

2. The Department shall prorate income for an assistance unit which receives income which is intended to cover a fixed period of time. When a person receives income pursuant to a fixed-term employment contract:
 - a. Income shall be counted in the month received, if received monthly or more often, throughout all months of the contract;
 - b. Income shall be prorated over the number of months in the contract if payment is received before or during the time work is performed, but not as specified in subsection (C)(2)(a);
 - c. Income shall be prorated over the number of months in the contract if payment is received upon completion of the work;
 - d. For CA cases which fall within subsection (C)(2)(c), applicable earned income disregards shall apply as if the prorated amounts were received in each month of the contract. The resulting amounts for each month shall then be totaled and counted in the month received as a lump sum pursuant to R6-12-504(C).
- D. Actual income.
 1. When using this method, the Department shall use the actual amount of income received in a month and shall not convert the income to a monthly amount pursuant to R6-12-506(D).
 2. The Department shall use actual income for an assistance unit which:
 - a. Receives or reasonably expects to receive less than a full month's income from a new source,
 - b. Has lost a source of income, or
 - c. Is paid daily.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-508. Income Verification

The Department shall verify all income before determining eligibility and benefit amount.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Article heading was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit this change to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this change.

ARTICLE 6. SPECIAL CA CIRCUMSTANCES

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-601. Pregnant Women

- A. Upon compliance with all other eligibility criteria and procedures, a pregnant woman with no other dependent children may be eligible for CA, as though the child was already born.
- B. Only the pregnant woman may qualify for benefits under this Section.
- C. Eligibility shall begin no earlier than 3 months before the predicted month of delivery and shall end no later than 2 months after the pregnancy terminates, and following written notice of adverse action.
- D. If the child is miscarried, stillborn, or born prematurely, and the woman reports such event to the Department within 10 calendar days of the occurrence,
 1. The occurrence shall not effect the woman's original eligibility, and
 2. No overpayment shall result.
- E. Following birth of the child, the mother may apply for benefits on behalf of the child as provided in this Chapter.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-602. Caretaker Relative of SSI or Foster Care Child

- A. A parent or NPCR with only a SSI recipient child, or a child who is receiving federal, state, or local foster care maintenance payments, may be eligible for CA upon meeting the eligibility criteria specified in this Chapter, except as otherwise provided in this Section.
- B. The Department shall consider the SSI recipient child, or foster care recipient child, as an assistance unit member for purposes of qualifying the unit for CA based on need.
- C. If the assistance unit qualifies for CA pursuant to subsection (B), the Department shall not count the needs, resources, and income of the SSI recipient child, or foster care recipient child, when determining the benefit amount.
- D. Notwithstanding the provisions of R6-12-311, the parent or NPCR of a SSI recipient child, or a foster care recipient child, need not assign to the Department any rights to child support but shall assign any right to receive alimony or spousal maintenance.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-603. Sponsored Noncitizen Aliens

- A. A noncitizen who is sponsored by a public or private agency or organization shall not qualify for CA for 3 years following the date of the noncitizen's entry for permanent residence into the United States unless:
1. The agency or organization ceases to exist during the 3 years, or
 2. The noncitizen's 3-year sponsorship agreement with the agency or organization has expired.
- B. A noncitizen sponsored by an individual who seeks benefits shall obtain the cooperation of the sponsor as necessary to satisfy the eligibility criteria described in this Chapter.
- C. The Department shall count the full income and resources of a noncitizen sponsor as available to the sponsored noncitizen for 3 years from the date of the noncitizen's entry into the United States for permanent residence, according to the provisions of this Section.
- D. Subject to the provisions of Article 4 concerning treatment of resources, the Department shall count the total equity value of resources belonging to the sponsor and the sponsor's spouse, less \$1,500, as available to the sponsored noncitizen.
- E. The Department shall count the full income of the noncitizen sponsor and the sponsor's spouse as available to the noncitizen.
- F. When a person sponsors 2 or more noncitizens, the Department shall prorate income among the sponsored noncitizens.
- G. When an assistance unit includes both a sponsored noncitizen and other members, and the provisions of this Section would render the assistance unit ineligible, the Department shall determine eligibility of the other members without considering the sponsored noncitizen or the sponsor's income or resources.
- H. The sponsored noncitizen and the sponsor are jointly liable for any overpayment resulting from the sponsor's provision of incorrect or incomplete information, unless the sponsor had good cause, so as to make the noncitizen solely liable. Good cause includes:
1. The Department failed to inform the noncitizen or the sponsor that the information was necessary; or
 2. Extenuating personal circumstances prevented the sponsor from providing necessary information.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-604. Strikers

The Department shall determine CA eligibility during a strike period for a parent on strike, the parent's spouse, and the dependent children of the parent on strike using the striker's prestrike monthly income.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-605. Dependents with Ineligible IRCA Parents

The income of an ineligible noncitizen parent who is a noncitizen admitted to the United States pursuant to 8 U.S.C. 1255a or 1160, as amended through October 25, 1994, which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions, unless such parent is eligible for assistance pursuant to R6-12-305(A), is deemed available to meet the needs of the noncitizen parent's dependent child after application of the following disregards:

1. The 1st \$90 of the noncitizen parent's gross earned income;
2. An amount equal to the CA need standard for the number of persons whom the noncitizen parent could claim as dependents, including the noncitizen parent, but excluding:
 - a. Persons receiving CA, and
 - b. Persons who would be receiving CA but for a sanction due to failure to cooperate;
3. Actual amounts paid to persons not living in the home who could be claimed as dependents for federal income tax purposes; and
4. Actual payments of spousal maintenance or child support to persons not living in the noncitizen parent's home.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-606. Dependents of Foster Children

- A. The dependent child of an ineligible foster child may be eligible for CA.
- B. To determine eligibility and benefit amount, the Department shall count all income and resources of the foster child and the dependent child, other than the foster care payment, as otherwise provided in this Chapter.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in

the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-607. Stepparents

The income of a stepparent who does not receive CA or SSI is deemed available to meet the needs of a dependent child who resides with the stepparent, after application of the following disregards:

1. The 1st \$90 of the stepparent's gross earned income;
2. An amount equal to the CA need standard for the number of persons whom the stepparent could claim as dependents, including the stepparent, but excluding:
 - a. Persons receiving CA, and
 - b. Persons who would be receiving CA but for a disqualification due to IPV, fraud, or Voluntary Quit/Reduction in Work Effort;
3. Actual amounts paid to persons not living in the home whom the stepparent could claim as dependents for federal income tax purposes; and
4. Actual payments of spousal maintenance or child support the stepparent makes to persons not living in the stepparent's home.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-608. Minor Parents

A. A minor parent means a person who:

1. Is less than 18 years of age,
2. Has never married, and
3. Is either the natural parent of a dependent child living in the same household or is pregnant and eligible for assistance under R6-12-601.

B. An assistance unit headed by a minor parent is not eligible for CA, except as provided in subsection (C).

C. A minor parent may receive assistance when:

1. The minor parent has no living or locatable:
 - a. Parent,
 - b. Legal custodian who is related to the minor parent to the degree specified at R6-12-309(A), or
 - c. Legal guardian.
2. The minor parent is legally emancipated.
 - a. A minor parent is emancipated if the minor parent's parent, adult specified relative as defined in R6-12-309(A), or legal guardian has relinquished all control and authority over the minor parent, and no longer provides financial support to the minor parent.
 - b. A minor parent shall qualify as an emancipated person if the minor parent:
 - i. Has lived apart from the parent, adult specified relative, or legal guardian for at least 1 year before the application for CA;

- ii. Has demonstrated financial independence from the parent, adult specified relative, or legal guardian for at least 1 year before the application for CA; and
 - iii. Has not received CA benefits for each of the 12 consecutive months immediately preceding the month the minor parent applies for CA.
- c.** The minor parent shall provide evidence to establish emancipation. Acceptable verification may include:
- i. Rent receipts or other living arrangement statements which establish independent living apart from the parent, adult specified relative, or legal guardian;
 - ii. Income statements or income tax records which establish financial independence from the parent, adult specified relative, or legal guardian; or
 - iii. Written statements from a parent, relative, or guardian which establish the independent status of the minor parent.
- 3.** The physical or emotional health or safety of the minor parent, or the minor parent's child, would be at risk if the minor parent and the minor parent's child resided in the home of the minor parent's parent, legal custodian who is related to the minor parent to the degree specified in R6-12-309(A), or legal guardian.
- a.** The minor parent shall file a written statement of abuse or neglect with the Department.
- i. Abuse means any behavior defined at A.R.S. § 8-546(A)(2).
 - ii. Neglect means any behavior defined at A.R.S. § 8-546(A)(6).
- b.** The written statement shall include the following information regarding the allegations of abuse or neglect:
- i. The name of the victim;
 - ii. The name of the perpetrator;
 - iii. The dates of the alleged abuse or neglect;
 - iv. The nature of the alleged abuse or neglect; and
 - v. Whether or not other children living in the home are subject to the abuse or neglect.
- c.** The FAA shall report all allegations of abuse or neglect to Child Protective Services.
- d.** The FAA shall accept the minor parent's written statement of abuse or neglect as sufficient evidence that the health or safety of the minor parent, or minor parent's child, would be at risk pending the outcome of a Child Protective Services assessment, unless evidence to the contrary exists.
- e.** If Child Protective Services determines the allegation of abuse or neglect is valid, the minor parent and the minor parent's child may receive CA if otherwise eligible under this Chapter.
- f.** If Child Protective Services is unable to confirm or refute the allegation of abuse or neglect, the minor parent shall remain eligible based on the minor parent's written statement.
- g.** If Child Protective Services determines the allegation of abuse or neglect is invalid:
- i. The Department shall inform the minor parent of the determination and allow the minor parent 60 days to return to the home of the parent, custodian, or legal guardian;
 - ii. The Department shall terminate CA effective the 1st month following expiration of the 60-day period; and

Department of Economic Security - Cash Assistance Program

- iii. No overpayment shall result for assistance paid based on the minor parent's written statement of alleged abuse or neglect.
 - 4. The minor parent lives with the minor parent's parent, adult specified relative as defined in R6-12-309(A), or legal guardian who either:
 - a. Is determined needy according to the income calculation procedures set forth at subsection (D); or
 - b. Has CA eligible children. If so, the Department shall combine all eligible children into 1 assistance unit. The parent, adult specified relative, or legal guardian shall serve as the payee.
- D. For the purpose of determining if a minor parent may receive assistance pursuant to subsection (C)(4)(a):
 - 1. The Department shall count all income received by the minor parent's parent, adult relative, or legal guardian, except for CA, SSI, and other sources of income excluded under R6-12-503, and shall apply the following disregards, if appropriate:
 - a. The 1st \$90 of the gross earned income of each employed parent, adult relative, or legal guardian;
 - b. An amount equal to the CA need standard for the number of persons living in the home who could be claimed as dependents for federal income tax purposes, including the minor parent's parent, adult relative, or legal guardian, but excluding:
 - i. The minor parent and the minor parent's child, and
 - ii. Persons who would be receiving CA but for a sanction due to failure to cooperate,
 - c. Actual amounts paid by the minor parent's parent, adult relative, or legal guardian to persons not living in the home who could be claimed as dependents for federal income tax purposes; and
 - d. Actual payments of spousal maintenance or child support to persons not living in the home of the minor parent's parent, adult relative, or legal guardian.
 - 2. The amount remaining is subtracted from the CA payment standard for an assistance unit comprised of the minor parent and the minor parent's child. If the resulting figure is at least 1¢, the minor parent may receive assistance.
 - a. If the minor parent lives with a parent, the Department shall count the income available to the assistance unit when determining the benefit level.
 - b. If the minor parent lives with a non-parent caretaker relative or legal guardian, the Department shall not count the income available to the assistance unit when determining the benefit level.
- E. A minor parent, and the minor parent's child, who are ineligible for CA solely due to the provisions of this Section, may receive the following services, if otherwise eligible:
 - 1. AHCCCS,
 - 2. JOBS,
 - 3. Child Care; and
 - 4. Any other program or service for which CA recipients categorically qualify.
- F. The provisions of this Section shall not apply to a parent who is under 18 years of age ("an underage parent") and who is married or has been married except, if the underage parent resides with his or her own parent, the income of the parents of the underage parent is deemed available to the underage parent pursuant to the procedures set forth in subsection (D).
- G. The provisions of this Section shall not apply to an applicant or recipient who is assigned to the control group as prescribed

in R6-12-105, except that the income of the parents of a minor parent is deemed available to the minor parent pursuant to the procedures set forth in subsection (D).

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-609. Unemployed Parents in a 2-parent Household (TPEP)

- A. An assistance unit with a needy child deprived of parental support because the primary wage-earning parent (PWE) is unemployed shall receive CA through the 2-Parent Employment Program (TPEP) if the assistance unit meets the eligibility criteria listed in R6-12-609, R6-12-610, R6-12-611, and all other applicable CA eligibility criteria.
- B. The child's mother and father shall both reside with the child.
- C. Neither parent shall have a physical or mental defect, illness, or impairment that:
 - 1. Substantially decreases or eliminates the parent's ability to support or care for the child, and
 - 2. Is expected to last for a minimum of 30 continuous days.
- D. The PWE shall not refuse a bona fide offer of employment or training for employment without good cause, within 30 days prior to application. Good cause for refusal is limited to the following circumstances:
 - 1. The offered wage was less than minimum wage;
 - 2. The parent lacked the physical or mental ability to do the work;
 - 3. The parent's lack of public or private transportation prevented the parent from reporting to the job;
 - 4. The parent lacked suitable day care;
 - 5. The parent was personally providing care for a child under the age of 2 at the time of the refusal;
 - 6. The working conditions would involve undue risk to the parent's health or safety;
 - 7. The work lacked workers' compensation protection;
 - 8. The commuting time to and from work would normally exceed 2 hours, round trip;
 - 9. The parent could not accept the job due to illness of the parent or another family member;
 - 10. The offered position was vacant due to a labor strike or lockout;
 - 11. The parent was incarcerated or making a required court appearance;
 - 12. Inclement weather prevented the parent from accepting the job or reporting for work; or
 - 13. The parent was laid off but is expected to return to the prior place of employment within 30 days of the date of the job offer;
- E. The PWE shall have:
 - 1. Worked 6 or more quarters during the 13 calendar quarter period ending within 1 year prior to the date of application for TPEP benefits; or

2. Received, or been eligible to receive, unemployment compensation at any time during the 1-year period prior to the date of application for TPEP benefits.
- F.** An applicant or recipient who is assigned to the control group as prescribed in R6-12-105 shall not qualify for TPEP unless the PWEF is unemployed for at least 30 days prior to the month of receipt of benefits. As used in this subsection, "unemployed" shall mean:
1. A lack of work for compensation or remuneration,
 2. Regular employment of less than 100 hours in a calendar month, or
 3. Employment of less than 100 hours in each month of the 2 months prior to the current month and anticipated to be less than 100 hours during the following month.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-610. TPEP: Education and Employment Requirements; Good Cause for Nonparticipation

Each TPEP parent shall participate in an education, training, or employment activity, unless such the parent is exempt because the parent:

1. Is under 18 and is:
 - a. 13-15 years old, pregnant or an unwed custodial parent, lacking a high school diploma/GED, and attending full time a secondary, vocational, or technical school or high school equivalency course; or
 - b. 16 or 17 (or 18 when reasonably expected to complete school before reaching 19), the custodial parent of a minor child, and attending full time a secondary, vocational, or technical school or a high school equivalency course;
2. Is an enrolled tribal member residing within the tribe's specified Tribal JOBS geographic area;
3. Is working an average of 30 hours or more per week in unsubsidized employment which pays at least minimum wage and shall last at least 30 days.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-611. TPEP: Duration

No assistance unit may receive TPEP benefits for longer than 6 months in a 12-month period, except that a TPEP unit may be granted a 3-month extension when the JOBS administration requests the extension based on a JOBS determination that there is good cause for the extension. The good cause reasons for JOBS to request an extension are:

1. A parent is enrolled in a vocational educational training program which was approved by JOBS and which can be completed within the 3-month extension period;
2. A parent has a bona fide offer of employment that is to begin within the 3-month extension period;
3. One parent did not participate in JOBS for 1 or more months during the 6-month period and the JOBS Administration has determined good cause existed as prescribed in R6-10-122; or
4. A parent is in an unpaid work experience activity and JOBS expects the parent to be hired within the 3-month extension period.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

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R6-12-612. Transitional Child Care

A. In accordance with the provisions of this Section, the Department, through its Child Care Administration (CCA), may provide transitional child care benefits for assistance unit members, including members excluded from the assistance grant for:

1. Non-compliance with JOBS;
2. Failure to provide a SSN; or
3. Ineligibility due to the provisions of R6-12-308, R6-12-318, or R6-12-608.

B. To qualify for transitional child care, the assistance unit shall:

1. Become ineligible for CA because of:
 - a. Increased hours of employment, or
 - b. Increased earnings from employment.
2. Have received CA or TPEP in at least 3 of the 6 months immediately preceding the 1st month of CA ineligibility;
3. Cooperate in establishing paternity and enforcing support obligations as provided in R6-12-311;
4. Apply to CCA and provide information as requested by CCA in accordance with R6-5-5103;
5. Need such care due to employment in accordance with R6-5-5104(D)(1)(a);
6. Pay any required co-payment; and
7. Meet CCA's income eligibility requirements. Countable and excluded income criteria, and computation of income criteria as prescribed in R6-5-5104(E)(2), R6-5-5104(E)(3), and R6-5-5104(E)(4), shall apply.

C. The notification requirements prescribed in R6-5-5102 shall apply.

Historical Note

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-613. Transitional Child Care: Eligible Children

- A. Care is available for a child who was included in the assistance unit and is:
1. Under age 13;
 2. Age 13 through 17 and physically or mentally incapable of caring for himself or herself, as verified by a licensed physician or psychologist;
 3. Age 13 through 17 and the subject of a court order which mandates that the child receive adult supervision;
 4. Receiving SSI and would otherwise be a dependent child; or
 5. Receiving Title IV-E foster care.
- B. A child born or entering the household after the assistance unit begins receiving child care benefits is eligible for child care if:
1. Such child is deprived of parental support pursuant to R6-12-310; and
 2. Such child would otherwise have been included in the CA or TPEP assistance unit at the time such benefits terminated.
- C. A child becomes ineligible if the child's nondisabled absent parent returns to the household.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-614. Transitional Child Care: Duration

An assistance unit that is assigned to the control group as prescribed in R6-12-105 may receive transitional child care for no more than 12 consecutive months immediately following the last month for which the assistance unit received CA or TPEP.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-615. Involuntary Termination of Transitional Child Care

- A. Child care benefits shall terminate if:

1. The caretaker relative fails to cooperate in establishing paternity or enforcing support obligations as provided in R6-12-311; or
 2. The employed person terminates employment without good cause.
- B. In this Section, good cause shall exist when:
1. The employed person needs care for a child or an incapacitated household member, such care is unavailable, and the Department fails to provide such care;
 2. The employer discriminates against the employed person on the basis of race, age, sex, race, creed, color, or national origin;
 3. The work site conditions violate applicable health and safety standards;
 4. The regular work site is located more than 2 hours away, round trip, by reasonably available public transportation, usable private conveyance, or, if other transportation is unavailable, by walking;
 5. The employed person cannot reach the work site due to an unavoidable breakdown in transportation arrangements, and no other transportation is readily available;
 6. The employed person is incarcerated or required to make a court appearance which precludes him from reporting for work;
 7. The employed person lacks the physical or mental ability to perform the work;
 8. The employment is unavailable due to a strike or lockout;
 9. Inclement weather prevents the employed person from traveling to and from the work site;
 10. The employed person quits to accept a job with equal or better compensation; or
 11. Other similar circumstances.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-616. Guaranteed Child Care Benefits: Options

- A. The Department shall provide child care benefits to an assistance unit member who requires such care to:
1. Accept employment,
 2. Continue employment, or
 3. Participate in JOBS.
- B. Guaranteed child care benefits are available to the assistance unit for the duration of time that the assistance unit member:
1. Remains employed or continues to be a JOBS participant, and
 2. Continues to provide information as requested by CCA to determine the need for services in accordance with R6-5-5103(A)(3).
- C. The notification requirements prescribed in A.A.C. R6-5-5102 shall apply.
- D. Except as otherwise provided in this Section, the household may choose from the following benefit options:
1. CCA shall directly pay the child care provider;
 2. The Department shall apply a child care disregard in accordance with R6-12-703(1); or
 3. A combination of direct payment and disregard when the assistance unit:
 - a. Chooses direct payments and incurs dependent care costs which are not covered by the direct payment, and
 - b. Paid for dependent care prior to applying for child care under this Section.
- E. The total benefit shall not exceed \$613.80, per child, per month.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-617. Guaranteed Child Care: Eligible Children

Guaranteed child care benefits are available for a dependent child in the assistance unit, including a child who is ineligible for CA due to the provisions of R6-12-308, R6-12-318, or R6-12-608, who is:

1. Under age 13;
2. Age 13 through 17 and physically or mentally incapable of caring for himself or herself, as verified by a licensed physician or psychologist;
3. Age 13 through 17 and the subject of a court order which mandates that the child receive adult supervision;
4. Not a member of the assistance unit due solely to the child's receipt of SSI; or
5. Not a member of the assistance unit due solely to the child's receipt of Title IV-E foster care funds.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 7. DETERMINING ELIGIBILITY AND BENEFIT PAYMENT AMOUNT

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-701. Need Standard

- A. The CA need standard is 100% of the 1992 federal poverty level, adjusted for a shelter cost factor as prescribed in subsections (B) and (C), and the number of persons in the assistance unit.
- B. To determine eligibility, as described in R6-12-702, the Department shall use 100% of the need standard appropriate to the size of the assistance unit when:
 1. The assistance unit pays, or is obligated to pay, all or part of the shelter costs for the place in which assistance unit members reside; shelter costs include rent, mortgage, or taxes;
 2. The assistance unit members reside in subsidized public housing;
 3. A member of the assistance unit works in exchange for rent; or
 4. A non-parent relative who is excluded from the assistance grant:
 - a. Charges the dependent child rent; or
 - b. Uses a portion of the dependent child's assistance grant to pay household expenses.
- C. For all circumstances not covered under subsection (B), including those when shelter costs are paid for 3 consecutive months or longer by a person who is not a member of the assis-

tance unit, the Department shall use 63% of the need standard appropriate for the size of the assistance unit.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-702. Determining Eligibility

- A. The Department shall determine eligibility for a specific benefit month based on its best estimate of all non-financial, resource, and financial criteria that exist, and are expected to exist, for that month.
- B. An assistance unit is eligible for CA when the Department finds that the unit:
 1. Satisfies the nonfinancial eligibility criteria described in this Chapter;
 2. Does not exceed the resource limits described in Article 4; and
 3. Satisfies the following income eligibility requirements:
 - a. The unit's gross income, after application of the income disregards described in subsection (C) does not equal or exceed 185% of the applicable need standard (the 185% test); and
 - b. The unit's gross income, less applicable disregards as described R6-12-703, is at least 1¢ less than the applicable need standard.
- C. For the 185% test, the Department shall disregard the following income of dependent children who are members of the unit:
 1. All income derived from participation in the Job Training Partnership Act (JTPA), for up to 6 months per calendar year; and
 2. All unearned income derived from participation in JTPA.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-703. Earned Income Disregards

For the purpose of determining income eligibility as provided in R6-12-702(B)(3)(c), the Department shall disregard the following income:

1. Income of dependent children, as described below:
 - a. All earned income derived from JTPA participation, for up to 6 months per calendar year;

- b. All unearned income derived from JTPA participation; and
- c. All income derived from the Summer Youth Employment and Training Program (SYETP);
- 2. A \$90 work expense allowance for each employed person whose needs are included in the assistance unit's budget;
- 3. For each wage earning member of the unit, 30% of any earned income not already disregarded; and
- 4. At the initial interview and at each review, the Department shall require each wage earner to verify billed expenses for the care of each dependent child or incapacitated adult member of the unit who is receiving CA. Acceptable verification shall include:
 - a. A written statement from the individual or business providing the care for the amount billed; or
 - b. Collateral contact, when documents are not available;
- 5. For an assistance unit with an adult who is ineligible pursuant to R6-12-318, an amount equal to the difference between the benefit amount with the needs of the ineligible adult included in the computation and the benefit amount with the needs of the ineligible adult excluded from the computation;
- 6. For an assistance unit with a child who is excluded from the assistance unit pursuant to R6-12-308, an amount equal to the difference between the benefit amount with the needs of the ineligible child included in the computation and the benefit amount with the needs of the ineligible child excluded from the computation.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-704. Disqualification from Earnings Disregards; Good Cause

- A. The Department shall not apply the earned income disregards set forth at R6-12-703(2) through R6-12-703(5) to the earned income of an assistance unit member for a particular benefit month when the assistance unit member, without good cause:
 - 1. Terminates employment or reduces the hours of employment within the 30 days preceding the benefit month;
 - 2. Refuses to accept a bona fide offer of employment offered through JOBS, or by any other employer, within the 30 days preceding the benefit month; or
 - 3. Fails to make a timely report of income pursuant to R6-12-901.
- B. Good cause.
 - 1. For circumstances applicable to subsections (A)(1) or (A)(2), good cause is limited to:
 - a. The circumstances described at A.A.C. R6-10-119(B); or
 - b. The circumstances described at A.A.C. R6-10-120(A) and (C), if the person is a TPEP parent.
 - 2. For circumstances applicable to subsection (A)(3), good cause is limited to the following:
 - a. The assistance unit reports and verifies that sickness, accident, or other family hardship prevented the unit from reporting timely; or
 - b. The mailing date of the change report is timely as prescribed in R6-12-901.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-705. Determining Benefit Payment Amount; Prorating

- A. The Department shall determine the amount of the assistance grant by subtracting all non-exempt income, following application of all appropriate income disregards, from 36% of the need standard for the number of persons in the assistance unit, and rounding down the resulting figure to the next whole dollar.
- B. If the benefit amount is less than \$10, the Department shall not pay benefits; the assistance unit remains eligible for CA for all other purposes.
- C. The Department shall pay benefits for the month of application only from the filing date of the application. The benefit amount is prorated based on the number of days remaining in the month after the date of application.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
 Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-706. Notice of Eligibility Determination

- A. If the Department finds that the unit satisfies all eligibility criteria as specified in this Chapter, the Department shall approve the assistance grant and send notice of approval to the applicant.
- B. If the Department finds that the unit does not satisfy 1 or more of the eligibility criteria specified in this Chapter, the Department shall send a denial notice to the applicant's last known address. The notice shall describe the action taken, the specific authority for the action, and the individual's right to request a hearing to challenge the action.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

ARTICLE 8. PAYMENTS**R6-12-801. Benefit Payments**

- A. The Department shall pay benefits to an eligible assistance unit only during a month for which the unit is eligible for a payment.
- B. The Department shall make benefit payments in the form of a state warrant, payable directly to the eligible recipient, or to a protective payee, emergency payee, legal guardian, or vendor.
- C. The warrant shall bear a statement which shall require the payee to confirm continuing eligibility for benefits when endorsing the warrant for payment.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-802. Mailing of Payments

- A. The Department shall mail the payment warrant to the assistance unit's residential address of record and not to a separate mailing address, unless the assistance unit so requests and provides a valid reason for doing so. Valid reasons include, but are not limited to:

1. A rural address,
 2. Lack of a mail receptacle, or
 3. Residence in a housing area with a high rate of mail theft.
- B.** The Department may mail the warrant to an address outside the state of Arizona for the lesser of:
1. One benefit month, or
 2. Until the assistance unit meets the eligibility requirements for assistance in another state.
- C.** The Department shall not mail a warrant outside the United States.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-803. Supplemental Payments

- A.** The Department shall correct underpayments by issuing the assistance unit a supplemental payment, regardless of whether the individual who was underpaid is eligible on the date the supplemental payment is issued.
- B.** The Department shall not count such supplemental payments as a resource or as income.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-804. Returned Payments

When the U.S. Post Office returns a warrant as undeliverable, the Department shall compare the address to the unit's address of record.

1. If the warrant was incorrectly addressed, the Department shall immediately correct the address and remail the warrant, or give it to the assistance unit.
2. If the warrant was correctly addressed, the Department shall send the unit a notice to contact the Department within 10 calendar days.
 - a. If the unit does not respond to the 10-day notice, the Department shall terminate benefits.
 - b. If the unit does not respond to the notice within 10 days, but does respond by the last day of the benefit month, or by the last day of the following month if the 10-day period expires in the following benefit month, the Department shall make the warrant available to the unit.
 - c. The Department shall cancel any warrant that is not claimed or replaced within the time period specified in subsection (2)(b) above.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-805. Non-receipt of Payments; Replacement

- A.** If a recipient reports nonreceipt of a benefit payment, the Department shall replace the payment within 3 work days from the date of the report, when all the following conditions are met:
1. Four postal workdays have elapsed since the mailing date of the warrant;
 2. The recipient has signed an affidavit attesting to nonreceipt, loss, or theft of the warrant and avowing:
 - a. That neither the recipient, nor someone acting on behalf of the recipient, has received or cashed the warrant;
 - b. That the recipient understands the consequences and penalties for fraud;
 - c. That the recipient understands that the unit is liable for an overpayment if the unit cashes both the original and a replacement warrant; and

- d. That the recipient will return the original warrant to the Department if the unit later finds or receives it; and
3. The Department requests a stop payment on the original warrant.

- B.** If the Department replaces the original warrant, and it is nonetheless cashed, the recipient shall sign a statement avowing that the recipient has reviewed a copy of the endorsement on the original warrant and believes the endorsement was forged.
1. If the recipient refuses to sign the statement and admits cashing the original warrant, but has not cashed the replacement warrant, the recipient shall return the replacement warrant to the Department for cancellation.
 2. If the recipient fails or refuses to sign the statement, or refuses to return the replacement warrant, the Department shall refer the matter to the Department's Office of Special Investigations.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-806. Protective Payee

- A.** The Department shall pay benefits to a protective payee who is not a member of the assistance unit:
1. On behalf of all unit members when a state or tribal protective service agency notifies FAA that the recipient is mismanaging or misappropriating benefits; or
 2. On behalf of all unit members other than the designated recipient when the recipient is disqualified for IPV or fraud.
- B.** The Department, with the assistance of the recipient, shall select a protective payee, who may be any adult other than the following:
1. The Department's director,
 2. A Department eligibility interviewer,
 3. An employee in the Department's Office of Special Investigations,
 4. A Department employee who handles fiscal processes related to the CA program, and
 5. A vendor of goods or services who deals directly with the recipient.
- C.** Except in cases of mismanagement, the Department shall continue paying benefits to the recipient if the Department cannot locate a suitable payee, after exhausting reasonable efforts to do so.
- D.** Protective payments shall terminate:
1. In cases of mismanagement, upon a determination by the protective services agency that such payments are no longer required to avoid further mismanagement; and
 2. In all other cases, when the recipient cooperates with the requirement that caused the onset of protective payments.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Department of Economic Security - Cash Assistance Program

R6-12-807. Emergency Payee

- A. The Department may pay benefits to a person acting as representative for, or on behalf of, a caretaker relative who was receiving benefits for a dependent child, when the relative:
1. Dies,
 2. Abandons or deserts the child,
 3. Is incarcerated, or
 4. Is committed to a hospital for the mentally ill.
- B. The Department can make payments to the emergency payee for 90 days, or until a case plan is developed for the dependent child, whichever first occurs.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-808. Identification Card

Upon request by a recipient, the Department shall issue the recipient an identification card or an electronic benefit transfer card at no cost. The Department shall keep a photograph of the recipient in the recipient's file after issuing an identification card or an electronic benefit transfer card.

Historical Note

Adopted effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 9. CHANGES; ADVERSE ACTION**R6-12-901. Reporting Changes**

- A. As a condition of eligibility, the assistance unit shall advise the Department of all changes in income, resources, or other circumstances which may affect eligibility or benefit amount, within 10 days from the date the change becomes known.
- B. A change report is considered timely if the mailing date is the tenth day from the date the change becomes known.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-902. Withdrawing a Member from the Assistance Unit

- A. A caretaker relative may request that an assistance unit member be removed from the unit by filing, with the Department, a written request which shall identify the member to be withdrawn, the reason for the request, and the date the request is effective.
- B. The Department shall acknowledge receipt of a withdrawal request and advise the unit in writing within 10 days of receipt of the withdrawal request of the effect of the request, as specified below.
- C. If the request does not identify a specific member, the Department shall apply the request to the entire assistance unit and terminate benefits.
- D. If the person being withdrawn is a mandatory member of the assistance unit, the Department shall deem the entire assistance unit ineligible and terminate benefits.
- E. If the person being withdrawn is not a mandatory member of the assistance unit, the Department shall redetermine eligibility

and benefits in accordance with the provisions of this Chapter.

- F. If the request does not specify an effective date, the Department shall take appropriate action effective the 1st month after the month in which the Department receives the request.
- G. Department action taken in response to a request for withdrawal of a member does not require a notice of adverse action but does require adequate notice and is appealable.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-903. Determining Benefits When Adding or Removing a Member

- A. When the Department receives a request to add a member to the assistance unit, or is required to add a mandatory member, the Department shall redetermine eligibility including the added member.
1. If the new member renders the unit ineligible and is not a mandatory member, the Department shall advise the unit of the consequences and permit the unit to withdraw its request to include the new member.
 2. If the new member renders the unit ineligible and is a mandatory member, the unit is ineligible. The Department shall provide adequate and timely notice.
 3. If the unit remains eligible, the Department shall add the new member, effective the date the Department receives the request to add the member, and shall include the new member's income in the budget.
- B. In the month a new member is added, the assistance unit may be eligible for an additional benefit amount or liable for an overpayment. To determine the unit's entitlement or liability, the Department shall:
1. Recalculate the unit's benefit amount with the new member, as provided in R6-12-704;
 2. Subtract the current benefit amount (without the new member) from the new benefit amount; and
 3. Take the resulting amount;
 - a. If above 0, prorate it, as provided in R6-12-704(C), to determine the benefit amount due the unit;
 - b. If 0, pay no benefit; or
 - c. If below 0;
 - i. Write an overpayment for the month of application, if the member is mandatory; or
 - ii. If the member is not mandatory, allow the unit to add the member the following month, so as to avoid an overpayment for the current month.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-904. Benefit Reduction or Termination

- A. Any change in any factor which the Department considers when determining eligibility or benefit amount may result in

reduction or termination of benefits, consistent with the provisions of this Chapter.

- B.** The Department shall terminate benefits if the assistance unit fails to complete the 6-month review required by R6-12-210.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-905. Ineligibility Date for an Assistance Unit

An assistance unit's ineligibility begins at the time described below:

1. On the 1st day of the same month in which any of the following events occurs:
 - a. Acquisition of resources in excess of the resource limitations specified in Article 4;
 - b. Receipt of lump sum income as set forth in R6-12-505;
 - c. Receipt of income in excess of the 185% income maximum as specified in R6-12-702; or
 - d. The addition of a mandatory assistance unit member.
2. On the 1st day of the 1st month benefits can be terminated following timely notice of adverse action for failure to comply with a 6-month eligibility review.
3. On the 1st day of the 1st month in which the assistance unit is not eligible on the date CA benefits are paid when the unit is rendered ineligible for reasons not specified in subsections (1) or (2).

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-906. Ineligibility Date for an Individual Member of an Assistance Unit

Ineligibility for an individual member of an assistance unit begins on the 1st day of the 1st month in which the member is not eligible on the date CA benefits are paid when the member is rendered ineligible for any reason.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of

proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-907. Notice of Adverse Action

- A.** When the Department plans to take adverse action against an assistance unit, the Department shall provide the unit with adequate and timely notice, except as provided in subsection (C).
- B.** The Department shall mail such notice, 1st class, postage pre-paid, to the last known residential address for the unit, or other designated address for the unit as allowed pursuant to R6-12-802(A).
- C.** In addition to the information listed in R6-12-101(1), the notice shall contain the following information:
 1. The date the adverse action is effective;
 2. The names of the eligible and ineligible persons in the unit, if changed by the intended action; and
 3. Any effect the intended action may have on the unit members' AHCCCS medical eligibility.
- D.** The Department may dispense with timely notice but shall provide adequate notice of adverse action when:
 1. A recipient or payee dies and no emergency payee is available;
 2. A recipient makes a written request for termination;
 3. A recipient is ineligible due to incarceration, hospitalization, or institutionalization in a skilled nursing care or intermediate care facility;
 4. The recipient's address is unknown;
 5. The Department has verified that the recipient has been accepted for assistance in another state;
 6. A CA child is legally removed from home or voluntarily placed in foster care by the child's parent or legal guardian; or
 7. The recipient furnishes information which results in reduction or termination of assistance and indicates in writing an understanding of the consequences that may result from furnishing such information.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

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R6-12-908. Referral for Investigation

FAA shall refer a case to OSI for investigation when:

1. An applicant or recipient refuses to cooperate as required pursuant to R6-12-302;
2. An applicant or recipient refuses to sign a statement attesting to forgery of a signature on a cashed warrant;
3. The Department has valid reason to suspect that an act has been committed for the purpose of deception, misrepresentation, or concealment of information relevant to a determination of eligibility or the form or amount of a benefit payment; or

4. The FAA suspects the commission of theft or fraud related to CA or any conduct listed in A.R.S. § 46-215.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 10. APPEALS

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1001. Entitlement to a Hearing

- A. An applicant for or recipient of CA is entitled to a hearing to contest the following Department actions:
1. Denial of the right to apply for assistance;
 2. Complete or partial denial of an application for assistance or for supplemental benefits;
 3. Failure to make an eligibility determination on an application within 45 days of the application date;
 4. Suspension, termination, reduction, or withholding of benefits except as provided in subsection (B).
 5. The existence or amount of an overpayment attributed to the unit or the terms of a plan to repay the overpayment;
 6. Changing the manner or form of payment including naming a protective payee to receive the benefit payment; or
 7. Denial or termination of child care benefits.
- B. Applicants and recipients are not entitled to a hearing to challenge benefit adjustments made automatically as a result of changes in federal or state law, unless the Department has incorrectly applied such law to the individual seeking the hearing.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-1002. Request for Hearing; Form; Time Limits

- A. A person who wishes to appeal an adverse action shall file a written request for a fair hearing with a local FAA office, within 20 days of the adverse action notice date.
- B. A request for a hearing is deemed filed:
1. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:
 - a. As shown by the postmark;
 - b. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or
 - c. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.
 2. On the date actually received by the Department, if not sent through the mail as provided in subsection (B)(1).
- C. The submission of any document shall be considered timely if the appellant proves that delay in submission was due to Department error or misinformation, or to delay caused by the U.S. Postal Service or its successor.

- D. Any document mailed by the Department shall be considered as having been given to the addressee on the date it is mailed to the addressee's last known address. The date mailed shall be presumed to be the date shown on the document, unless otherwise indicated by the facts. Computation of time shall be made in accordance with Rule 6(a) of the Rules of Civil Procedure.
- E. The Office of Appeals shall deny any request that is not timely filed. A party may request an appeal on the timeliness of an appeal.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1003. Hearing Requests; Preparation and Processing

- A. The Department shall advise the appellant of any free legal services available to assist the appellant in completing the request for appeal. If the appellant so requests, the Department shall assist the appellant in preparing the request.
- B. Within 2 working days of receiving a request for appeal, the local FAA office shall notify the Office of Appeals of the hearing request.
- C. Within 10 days of receiving a request for appeal, the local FAA office shall prepare and forward to the Office of Appeals a prehearing summary which shall include:
1. The appellant's name (and case name, if different);
 2. The appellant's SSN (or case number, if different);
 3. The local office responsible for the appellant's case;
 4. A brief summary of the facts surrounding, and the grounds supporting, the adverse action;
 5. Citations to the specific provisions of the Department's CA manual which support the Department's action; and
 6. The decision notice and any other documents relating to the appeal.
- D. The local office shall mail the appellant a copy of the summary.
- E. Upon receipt of a hearing request, the Office of Appeals shall schedule the hearing as prescribed in R6-12-1006.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-1004. Stay of Adverse Action Pending Appeal; Exceptions

- A. If an appellant files a request for appeal within 10 calendar days of the adverse action notice date, the Department shall stay imposition of the adverse action and continue benefits at the current level unless:
1. The appellant specifically waives continuation of current benefits;
 2. The appeal results from a change in federal or state law which mandates an automatic grant adjustment for all classes of recipients and does not involve a misapplication of the law;
 3. The appellant is requesting continuation of TPEP benefits for longer than 6 months within a 12-month period; or

4. The appellant is requesting continuation of benefits for longer than 24 months within any consecutive 60-month period.
- B.** The adverse action shall be stayed until receipt of an official written decision in favor of the Department, except in the following circumstances:
 1. At the hearing and on the record, the hearing officer finds that: the sole issue involves application of law, and the Department properly applied the law and computed the benefits due the appellant;
 2. A change in eligibility or benefit amount occurs for reasons other than those being appealed, and the assistance unit receives and fails to timely appeal a notice of adverse action concerning such change;
 3. Federal or state law mandates an automatic grant adjustment for classes of recipients;
 4. The appellant withdraws the request for hearing; or
 5. The appellant fails to appear for a scheduled hearing without prior notice to the Office of Appeals, and the hearing officer does not rule in favor of the appellant based upon the record.
- C.** Upon receipt of decision in favor of the Department, the Department shall write an overpayment for the amount of any benefits the unit received in excess of the correct benefit amount, while the stay was in effect.
- D.** If the appellant files a request for appeal more than 10 days after, but within 20 days of, the adverse action notice date, the Department may take the adverse action while the appeal is pending. If the Office of Appeals then rules in favor of the appellant, the Department shall issue a supplemental payment to the appellant to cure any underpayment within 10 days from the date of the hearing decision.
- c. Prior to entry of a final decision, reopen the hearing to take additional evidence;
- d. Deny or dismiss the appeal or request for hearing in accordance with the provisions of this Article;
- e. Exclude non-party witnesses from the hearing room; and
12. Issue a written decision deciding the appeal.
- C.** Subpoenas.
 1. A party who wishes to subpoena a witness, document, or other physical evidence shall make a written request which shall describe:
 - a. The case name and number;
 - b. The party requesting the subpoena;
 - c. The name and address of any person to be subpoenaed, with a description of the subject matter of the witness's anticipated testimony; and
 - d. A description of any documents or physical evidence to be subpoenaed, and the name and address of the custodian of the document or physical evidence.
 2. The party requesting the subpoena shall make the request at least 5 work days before the scheduled hearing date.
 3. The hearing officer shall deny the request if the witness's proposed testimony is not relevant to the issues in the hearing.
 4. The Office of Appeals shall prepare all subpoenas and serve them by certified mail, return receipt requested.
- D.** An appellant may request a change in hearing officer if the appellant so requests at least 10 days prior to the hearing. The appellant is limited to 1 request.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1005. Hearing Officer; Qualifications; Duties; Subpoenas

- A.** An impartial hearing officer in the Department's Office of Appeals shall conduct all hearings.
- B.** The hearing officer shall:
 1. Administer oaths and affirmations;
 2. Regulate and conduct the hearing in an orderly and dignified manner, which avoids undue repetition and affords due process to all participants;
 3. Ensure that all relevant issues are considered;
 4. Exclude irrelevant evidence from the record;
 5. Request, receive, and incorporate into the record all relevant evidence;
 6. Order, when relevant and useful to a resolution of the issue in a case, an independent medical assessment or professional evaluation from a source mutually satisfactory to the appellant and the Department;
 7. Upon compliance with the requirements of subsection (C), subpoena witnesses or documents needed for the hearing;
 8. Open, conduct, and close the hearing;
 9. Rule on the admissibility of evidence at a hearing;
 10. Direct the order of proof at the hearing;
 11. For good cause shown, and upon the request of an interested party, or on the hearing officer's own motion, take such action as the hearing officer deems necessary to the proper disposition of an appeal, including, without limitation, the following:
 - a. Recuse or disqualify himself from the case;
 - b. Continue the hearing to a future time or date;

R6-12-1006. Hearings: Location; Notice; Time

- A.** The Office of Appeals shall schedule the hearing at the office location most convenient to the interested parties.
- B.** The Office of Appeals shall schedule the hearing at least 20 days, and no more than 45 days, from the date the appellant files the request for hearing with the local office.
- C.** The Office of Appeals shall issue all interested parties a notice of the 1st hearing at least 10 calendar days before the hearing. The appellant may waive the 10-day notice period or request a continuance.
- D.** The notice of hearing shall be in writing and shall include the following information:
 1. The date, time, and place of the hearing;
 2. The name of the hearing officer;
 3. The issues involved in the case;
 4. A statement listing the appellant's rights, as follows:
 - a. To appear in person or by telephone;
 - b. To have a representative present the case;
 - c. To copy, at a reasonable time prior to the hearing or during the hearing, any documents in the appellant's case file which are relevant to the issues being heard, and all documents the Department may use at the hearing;
 - d. To obtain assistance from the local FAA office to prepare for the hearing; and
 - e. To obtain, from the local FAA office, information on available community legal resources who may be able to represent the appellant.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1007. Rescheduling the Hearing

- A. An appellant may request a continuance of the hearing by calling or writing the Office of Appeals and providing good cause as to why the hearing should be postponed.
- B. The Office of Appeals must receive the request at least 5 work days before the scheduled hearing date and may deny an untimely request or a request which fails to establish good cause.
- C. When a hearing is rescheduled, the Office of Appeals shall provide appropriate notice to all interested parties.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1008. Hearings Concerning Disability Determinations

- A. A person who appeals an adverse determination of disability may ask to receive another medical examination before the hearing.
- B. Upon receipt of such a request, the FAA local office shall schedule the examination with a licensed physician, psychologist, or psychiatrist. If the appellant does not designate a particular examiner, the Department may choose.
- C. At any time prior to issuing a decision, the hearing officer may ask the District Medical Consultant to schedule the appellant for a special diagnostic evaluation by a specialist.
- D. Upon receipt of a report on the special evaluation, the hearing officer may, but is not required to, have the District Medical Consultant evaluate the report and render an opinion on the appellant's disability and employability.
- E. The hearing officer may consider, but is not bound by, the Medical Consultant's opinion, which shall qualify as an expert medical opinion.
- F. In deciding the appeal of a disability determination, the hearing officer shall consider:
 - 1. All medical, social, and vocational reports which are relevant to the issue of disability; and
 - 2. The appellant's testimony as to the appellant's physical and medical condition or symptomatology.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1009. Group Hearings

The Department may conduct a single group hearing on individual requests for a hearing, under the following circumstances:

- 1. The sole issue in each case is interpretation of the same question of federal or state law or policy,
- 2. Each appellant may present or have an authorized representative present his or her own case,
- 3. Any appellant may withdraw from the group hearing and obtain an individual hearing.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1010. Withdrawal of Appeal; Default

- A. An appellant may voluntarily withdraw an appeal at any time prior to the scheduled hearing by signing a written statement expressing the intent to withdraw. The Department shall make a withdrawal form available for this purpose.
- B. An appellant may involuntarily withdraw an appeal by failing to appear at the scheduled hearing.
 - 1. Except as provided in subsection (C), the hearing officer may enter a default decision dismissing the appeal if the appellant fails to appear at a scheduled hearing.
 - 2. When the appellee fails to appear at the hearing, the hearing officer may rule summarily on the available record or may adjourn the hearing to a later date and time.

- 3. If, within 10 days of the scheduled hearing date at which the appellant failed to appear, the appellant files a written request to reopen the proceedings and establishes good cause for non-appearance, the hearing officer shall reopen the proceedings and reschedule the hearing with notice to all interested parties.
- 4. Good cause, for the purpose of reopening a hearing, is established if the failure to appear at the hearing and the failure to timely notify the hearing officer were beyond the reasonable control of the nonappearing party.
- C. The hearing officer shall not enter a default if the appellant gives notice, prior to the scheduled time of hearing, that the appellant is unable to attend the hearing, due to good cause, and still wishes the hearing or to have the matter considered on the available record.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1011. Hearing Proceedings

- A. Standard of review and burden of proof.
 - 1. The hearing is a de novo proceeding. To prevail on appeal, the appellant must prove eligibility or entitlement to benefits by a preponderance of the evidence.
 - 2. The Department has the initial burden of going forward with presentation of the evidence.
- B. Appearance by parties and representatives.
 - 1. An appellant may appear by telephone or submit a written statement under oath, instead of appearing personally at the hearing. The appellant shall file the personal statement with all other witness statements and documents the appellant wishes to offer in evidence, with the Office of Appeals before the time of the hearing.
 - 2. The FAA worker, FAA supervisor, or FAA hearing specialist, or another appropriate person may testify for the Department at the hearing.
- C. Evidence and argument.
 - 1. The appellant may testify, present evidence, cross-examine witnesses, and present arguments.
 - 2. The hearing officer shall exclude from the record any irrelevant evidence.
- D. The record.
 - 1. The hearing officer shall keep a full and complete record of all proceedings in connection with an appeal. The appellant or the appellant's designated representative may inspect the record on appeal at any reasonable time.
 - 2. The Department need not transcribe the record unless it is required for further proceedings.
 - 3. If the record is transcribed, the appellant is entitled to receive a copy at no charge.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1012. Hearing Decision; Time Limits; Form; Contents; Finality

- A. No later than 90 days after the date the appellant files a request for appeal, the hearing officer shall render a written decision based solely on the evidence and testimony produced at the hearing and applicable federal and state law. The time limit is extended for any delay caused by the appellant.
- B. The decision shall include:
 - 1. Findings of facts pertinent to the issue;
 - 2. Citations to the law and authority applicable to the case;
 - 3. A statement of conclusions derived from the controlling facts and law, and the reasons for the conclusions; and
 - 4. A statement of further appeal rights available to the appellant and the time period for exercising those rights.

- C. The Office of Appeals shall mail or deliver a copy of the decision to each interested party or such party's attorney of record.
- D. The hearing officer's decision is the final decision of the Department, unless a party files a timely request for reconsideration or further appeal.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1013. Implementation of the Decision

- A. If the decision requires a local office to take further action, such action shall occur within 10 calendar days of the date of the decision.
- B. All decisions in favor of the appellant apply retroactively to the date of the action being appealed or the date stated by the hearing officer in the written decision.
- C. If the decision affirms the Department's decision to take adverse action, the Department shall treat any resulting overpayment as a client-caused, non-fraud overpayment.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1014. Further Appeal and Review of Hearing Decisions; Stay of Adverse Action

- A. A party may appeal an adverse hearing decision to the Department's Appeals Board.
 - 1. The party shall file a written petition for review with the Office of Appeals within 15 calendar days of the mailing date of the hearing officer's decision.
 - 2. The petition shall state the grounds for review and be signed and dated.
 - 3. The petition is deemed filed:
 - a. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:
 - i. As shown by the postmark;
 - ii. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or
 - iii. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.
 - b. On the date it is hand-delivered to the Office of Appeals.
- B. When a party timely appeals a hearing decision, the Department shall stay implementation of the adverse action until the Appeals Board issues a decision and treat any resulting overpayment as a client-caused, non-fraud overpayment.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1015. Appeals Board Proceedings and Decision

- A. Upon receipt of a request for further review, the Office of Appeals shall transcribe the record of hearing and transfer the record to the Appeals Board.
- B. The Appeals Board may decide the appeal based solely on the record of proceedings before the hearing officer or, if the Board is unable to decide the appeal on the available record, the Board may remand the case for rehearing, specifying the nature of any additional evidence required or any further issues for consideration, or conduct a hearing at the Appeals Board to take additional evidence.
- C. The Appeals Board shall issue, and mail to all parties, a final written decision affirming, reversing, or modifying the hearing decision and specifying the parties' right to seek further review.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

ARTICLE 11. OVERPAYMENTS**R6-12-1101. Overpayments: Date of Discovery; Collection; Exceptions**

- A. Except as provided in subsection (E), the Department shall pursue collection of all overpayments.
- B. The Department discovers an overpayment on the date the Department determines that an overpayment exists.
- C. The Department shall write an overpayment report within 90 days of the discovery date.
- D. If the FAA office suspects that an overpayment was caused by fraudulent activity, it shall refer the overpayment report to the Department's Office of Special Investigations for potential prosecution.
- E. The Department shall not attempt to recover an overpayment from a person who is not a current recipient when the overpayment was not the result of an intentional program violation or fraud, and:
 - 1. The total overpayment is less than \$35, or
 - 2. The Department has exhausted reasonable efforts to collect an overpayment of \$35 or more and has determined that it is no longer cost-effective to pursue the claim.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1102. Overpayments: Persons Liable

- A. The Department shall pursue collection of an overpayment from:
 - 1. The assistance unit which was overpaid;
 - 2. Any assistance unit of which a member of the overpaid unit has subsequently become a member; or
 - 3. Any individual member of the overpaid assistance unit, even if that member is not currently receiving benefits.
- B. The Department shall seek recovery from the caretaker relative, or the caretaker relative's current assistance unit, first. If the caretaker relative is unavailable due to death or disappearance, or was not a member of the overpaid assistance unit, the Department shall seek recovery from the other members of the overpaid assistance unit, or the other members' current assistance units.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1103. Methods of Collection and Recoupment

- A. When an overpaid assistance unit is currently receiving benefits, the Department shall permit the unit to choose 1 of the following repayment methods:
 - 1. Offset against any underpayment due the unit;
 - 2. Cash payments;
 - 3. Reduction in current benefits, in an amount not to exceed 10% of the unit's monthly payment, unless the unit desires a larger reduction;
 - 4. A combination of the above methods.

- B. If the repayment reduces the unit's benefits to 0, the unit shall remain eligible for CA for all other purposes.
- C. If the assistance unit is not receiving benefits, the Department shall pursue recovery by appropriate action under state law.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

ARTICLE 12. INTENTIONAL PROGRAM VIOLATION

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1201. Intentional Program Violations (IPV); Defined

- A. An intentional program violation (IPV) is an action by an individual, for the purpose of establishing or maintaining the family's eligibility for CA or for increasing or preventing a reduction in the amount of the grant, which is intentionally:
 1. A false or misleading statement or misrepresentation, concealment, or withholding of facts; or
 2. Any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity.
- B. For the purpose of imposing sanctions as prescribed in R6-12-1204, a person is considered to have committed an IPV if:
 1. The person signs a waiver of an administrative disqualification hearing,
 2. The person is found to have committed an IPV by an administrative disqualification hearing, or
 3. The person is convicted of IPV or fraud in a court of law.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

R6-12-1202. IPV Disqualification Proceedings; Hearing Waiver

- A. The Department shall initiate an administrative disqualification proceeding, or a referral for prosecution, upon receipt of sufficient documentary evidence substantiating that an assistance unit member has committed an IPV.
- B. When the Department initiates a disqualification proceeding, the Department shall mail the assistance unit member suspected of an IPV written notice of the right to waive the disqualification hearing.
- C. The waiver notice shall include the following information:
 1. The charges against the suspected violator and a description of the evidence supporting the charges;
 2. An explanation of the disqualification sanctions imposed for intentional program violations;
 3. A warning that the administrative proceeding does not preclude other civil or criminal court action;
 4. The date that the signed waiver notice must be received by the Department should the suspected violator wish to avoid the hearing;
 5. Signature lines for the suspected violator and the suspected violator's current caretaker relative if the suspected violator is not the caretaker relative;

6. A statement that the caretaker relative must also sign the waiver if the suspected violator is not the caretaker relative;
 7. A statement of the suspected violator's right to remain silent concerning the charge;
 8. A warning that anything said, written, or signed by the suspected violator concerning the charge may be used against him or her in administrative proceedings or a court of law;
 9. A warning that any waiver of the hearing establishes an IPV, eliminates the right to further administrative appeal, and will result in disqualification and a reduction in benefits for other assistance unit members for the period of disqualification;
 10. Statements providing the suspected violator an opportunity to admit to the facts supporting disqualification or waive the hearing without admitting to the facts;
 11. The name, address, and telephone number of a Department representative whom the suspected violator may contact for further information;
 12. A list of persons or organizations which may provide the suspected violator with free legal advice regarding the IPV; and
 13. A warning that the Department shall hold any remaining household members responsible for repayment of any overpayment arising from the IPV.
- D. For the purpose of imposing sanctions as prescribed in R6-12-1204, a signed waiver notice shall have the same effect as an administrative adjudication that an IPV occurred.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1203. Disqualification Proceedings; Hearing

- A. If the suspected violator does not sign and return the waiver notice by the return date set in the waiver notice, the Office of Appeals shall send the suspected violator a notice of hearing. The Office of Appeals shall send the notice by certified mail, return receipt requested, no later than 30 days before the scheduled hearing date.
- B. The notice of hearing shall include the following information:
 1. The date, time, and place of the hearing;
 2. The charges against the suspected violator;
 3. A summary of the evidence supporting the charges;
 4. The location where the suspected violator may examine the supporting evidence before the hearing;
 5. A warning that the hearing officer shall render a decision based solely on the evidence which the Department offers if the suspected violator does not appear for the hearing;
 6. An explanation of the suspected violator's right to show good cause for a failure to appear at the hearing and the procedure for doing so;
 7. An explanation of the sanctions the Department shall impose if the hearing officer finds that the suspected violator committed an IPV;
 8. A listing of the suspected violator's procedural rights;
 9. A warning that the pending administrative hearing does not preclude other civil or criminal court action;
 10. A statement advising of any free legal advice which may be available;
 11. A statement explaining how to obtain a copy of the Department's published hearing procedures; and
 12. A statement that the suspected violator may have the hearing postponed by contacting the hearing officer at least 10 days before the hearing date and asking for a postponement.

- C. The hearing officer shall postpone a hearing for up to 30 days if the suspected violator files a written request for postponement with the hearing official no later than 10 days before the scheduled hearing date. Any such postponement days shall increase the time by which the hearing officer shall issue a decision, as provided in subsection (G) below.
- D. At the start of the disqualification hearing, the hearing officer shall advise the suspected violator or representative of the right to remain silent during the hearing and the consequences of exercising that right.
- E. A hearing officer, as prescribed in R6-12-1005, shall conduct the disqualification hearing pursuant to the procedures set forth in R6-12-1006, R6-12-1007, and R6-12-1011, except as prescribed in this subsection.
 - 1. The suspected violator does not need to request a hearing as prescribed in R6-12-1006(B).
 - 2. The standard of proof is clear and convincing.
 - 3. So long as the Department sent an advance notice of hearing as provided in subsections (A) and (B) above, the hearing officer shall conduct the disqualification hearing even if the suspected violator or representative cannot be located or fails to appear at the hearing without good cause.
- F. The Department shall prove by clear and convincing evidence that the household member committed an IPV.
- G. No later than 90 days from the date of the notice of hearing, as increased by any postponement days, the hearing officer shall send to the suspected violator a written decision which shall conform to the requirements of R6-12-1012 and shall include the information described at R6-12-1204(C).

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1204. Disqualification Sanctions; Notice

- A. A person found to have committed an IPV is disqualified from program participation for 6 months for the 1st violation; 12 months for the 2nd violation; and permanently for the 3rd violation.
- B. The Department shall not include the needs of the disqualified person in the assistance unit but shall count the income and resources of the disqualified person available to the unit.
- C. Upon a determination of IPV, the Department shall notify the violator of the pending disqualification. The notice shall:
 - 1. Inform the violator of the decision and the reasons for the decision;
 - 2. Provide the beginning date and duration of the disqualification, including an explanation of any deferment of disqualification; and
 - 3. Explain the consequences of the disqualification on household members other than the violator.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1205. Disqualification Hearings; Appeal

- A. A person found to have committed an IPV through an administrative disqualification hearing may appeal the decision to the Department's Appeals Board as prescribed in R6-12-1014.
- B. Upon a determination of IPV through a signed waiver of a disqualification hearing, the violator has no right to further administrative appeal.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

R6-12-1206. Honoring Out-of-state IPV Determinations and Sanctions

The Department shall honor sanctions imposed against an applicant or recipient by the Title IV-A agency of another state and shall consider prior violations committed in another state when determining the appropriate sanction.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

ARTICLE 13. JOBSTART

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1301. Scope

The Department shall operate a wage subsidy program entitled JOBSTART on a statewide basis.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective May 15, 1997 (Supp. 97-2). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1302. Definitions

The following definitions apply to this Article:

- 1. "Adjusted gross monthly wages" means the gross monthly wages a person receives from a JOBSTART-subsidized placement after deductions for federal and state income taxes and Federal Insurance Contributions Act (FICA) contributions.
- 2. Subsidized placement means a job with a public or private sector employer for which the Department reimburses the employer monthly for the wages paid to the participant the lesser of:
 - a. A fixed subsidy amount determined by the Department pursuant to the contract with the employer, or
 - b. The gross wages paid by the employer.
- 3. Wage pool means a pool of diverted CA and Food Stamp Program benefits which are used to reimburse an employer for the monthly wages paid to a participant.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Amended effective May 15, 1997 (Supp. 97-2). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was repealed and the new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41,

Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1303. Diversion of Benefits to Wage Pool

- A. When JOBS notifies FAA that JOBS has assigned a recipient to a JOBSTART-subsidized placement, FAA shall redirect the recipient's CA and Food Stamp Program benefits to the JOBSTART wage pool to reimburse the participant's employer for wages paid to the participant.
- B. The reimbursement shall not exceed the lesser of:
 - 1. The recipient's gross monthly earnings from the JOBSTART-subsidized placement, calculated as total hours worked times the participant's hourly wage rate; or
 - 2. A fixed subsidy amount determined by the Department pursuant to the contract with the employer. The reimbursement shall not exceed 40 hours per week at the federal minimum wage.
- C. The Department shall divert the CA and Food Stamp Program benefits to the wage pool beginning with the calendar month following the month the participant 1st receives wages from the subsidized placement and shall continue diverting the benefits until the participant stops holding a subsidized placement.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Section R6-12-1303 repealed; new Section renumbered from R6-12-1304 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and a new Section renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1304. Treatment of Income

The Department shall exclude as income the participant's gross monthly wages received from the subsidized job placement. Income from other sources shall count pursuant to Article 4.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Section R6-12-1304 renumbered to R6-12-1303; new Section renumbered from R6-12-1305 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and a new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1305. Supplemental Payments

- A. Advance supplemental payments.
 - 1. The Department shall provide an advance supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a benefit month are less than the combined cash value of the CA and Food Stamp Program benefits which the participant is eligible to receive for that month.
 - 2. Each month the Department shall determine the need for a supplemental payment, and the amount of the payment, using prospective budgeting based on anticipated family composition and wages of 40 hours per week during the month at the adjusted gross monthly wage the participant is expected to receive.
 - 3. The supplemental payment shall equal the cash value of the combined CA and Food Stamp Program benefits the participant is eligible to receive for the month minus the anticipated adjusted gross monthly wages from the subsidized placement.
- B. Emergency supplemental payments. The Department shall provide an emergency supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a benefit month, plus any supplemental payments already made for that month, are less than the cash value of the monthly food stamp allotment for the participant's household. The Department shall provide an emergency payment no later than 10 days after the date:
 - 1. The participant requests an emergency payment, or
 - 2. The Department receives information from the employer which indicates the need for an emergency payment.
- C. Reconciliation supplemental payments.
 - 1. The Department shall provide a reconciliation supplemental payment to a JOBSTART participant who receives less in adjusted gross wages in a benefit month than the cash value of the combined CA and Food Stamp Program benefits which the participant is eligible to receive for that month due to a reduction in available work hours by the employer.
 - 2. The Department shall issue the reconciliation supplemental payment no later than the 10th day of the month following the benefit month.
 - 3. The reconciliation supplemental payment, plus the adjusted gross wages and any other supplemental payments already received for the benefit month, shall not exceed the cash value of the combined CA and Food Stamp Program benefits the participant was eligible to receive for the benefit month.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Section R6-12-1305 renumbered to R6-12-1304; new Section renumbered from R6-12-1306 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered and a new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

R6-12-1306. Sanctions

- A.** If a recipient fails or refuses to comply with JOBSTART participation requirements without good cause the Department shall decrease the CA grant using the progressive sanction process described in R6-12-316.
- B.** Good cause is limited to the following circumstances:
1. The participant has been referred to a job or employment which is the subject of a strike, lockout, work stoppage, or other bona fide labor dispute;
 2. The job requires the participant to join a company union or to resign or refrain from joining a bona fide labor organization;
 3. The participant was incarcerated or ordered to make a court appearance;
 4. Severe weather conditions prevented the participant and other persons similarly situated from traveling to or participating in the employment activity;
 5. The participant or the participant's dependent child suffers a debilitating illness or incapacity; or
 6. The participant has a family crisis, such as:
 - a. Catastrophic loss of home to fire, flood, or other natural disaster; or
 - b. Death of an immediate family member.
- C.** JOBS shall determine if good cause exists.
- D.** The Department shall apply the appropriate progressive sanction reduction against the monthly CA benefit amount the assistance unit is entitled to receive for the month the sanction is applied.
- E.** The progressive sanction benefit reduction shall continue for a minimum of 1 month and until the person complies with JOBS requirements or becomes exempt from JOBS participation.

Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).
Section R6-12-1306 renumbered to R6-12-1305; new
Section renumbered from R6-12-1307 and amended
effective July 31, 1997, under an exemption from the
provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Editor's Note: The following Section was renumbered under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit this change to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this change.

R6-12-1307. Renumbered**Historical Note**

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Section R6-12-1307 renumbered to R6-12-1306 effective
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A.R.S. Title 41, Chapter 6 (Supp. 97-3).